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June 3, 1939

# THE *Nation*

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## This Is America

### *I. The Middle West Drifts to the Right*

BY WILLIAM L. WHITE

\*

Giannini and the SEC - - - - - *Peter H. Noyes*

Remember Chicago! - - - - - *Margaret Marshall*

Swastika Science - - - - - *Morris Goran*

The Conscientious Investor - - *Keith Hutchison*

Palestine Needs a Gandhi - - - - - *O. G. Villard*

Light on the Oil Trust - - - - - *Editorial*

Portrait by Dos Passos - - - *Louis Kronenberger*

"Democracy and Socialism" - - *Rustem Vambery*

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CONTENTS

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# THE *Nation*

VOLUME 148

NEW YORK • SATURDAY • JUNE 3, 1939

NUMBER 23

## CONTENTS

### THE SHAPE OF THINGS

629

### EDITORIALS

DIES AND THE PRESS

631

JAPAN TEMPTS FATE

632

LIGHT ON THE OIL TRUST

633

DAY OFF by Freda Kirchwey

634

### THIS IS AMERICA. I. THE MIDDLE WEST DRIFTS TO THE RIGHT

by William L. White

635

### GIANNINI AND THE SEC by Peter H. Noyes

638

### SWASTIKA SCIENCE by Morris Goran

641

### REMEMBER CHICAGO! by Margaret Marshall

643

### EVERYBODY'S BUSINESS by Keith Hutchison

645

### IN THE WIND

646

### ISSUES AND MEN by Oswald Garrison Villard

647

### BOOKS AND THE ARTS:

POLITICS AND FICTION by Louis Kronenberger

648

DEMOCRACY AND SOCIALISM by Rustem Vambery

648

BEFORE "TOBACCO ROAD" by Dorothy Van Doren

650

WESTERN by Hassoldt Davis

650

ROBINSON JEFFERS by Sherman Conrad

651

STILL LIFE by Justin O'Brien

652

MUSIC by B. H. Haggin

653

FILMS by Franz Hoellering

654

## *The Shape of Things*

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MOSCOW HOLDS THE CENTER OF THE STAGE this week as the Kremlin ponders the British bid to a three-power alliance against Nazi aggression. Although the British plan still falls short of the Soviet desire for a three- or four-power mutual-assistance pact, involving guaranties to the Baltic states as well as to Poland and Rumania, it more nearly meets the Russian demands than any of its predecessors have done. It carries for the first time a pledge of aid to the Soviet Union and provides for the protection of Lithuania. It does not include Latvia or Estonia. Nor does it cover the Far East as originally demanded by the Soviet Union. Details are lacking as to how binding the reciprocal obligations actually are. But London's invitation to Voroshilov, Soviet Commissar of Defense, to attend the forthcoming British army maneuvers indicates that Britain means business. There are reports that conversations among the military staffs of Great Britain, France, and the Soviet Union may be held in the next few weeks.

★

A BINDING THREE-POWER PACT SHOULD insure peace in Europe for many months to come. Despite the annexation of Austria, Czechoslovakia, Memel, and Albania, the triumph of Franco in Spain, and the Italo-German military alliance, the axis powers are relatively weaker than they have been at any time in the past three years. British airplane production is approaching 1,000 a month. The French financial situation has been at least temporarily relieved as a result of the success of Daladier's domestic bond issue. The Soviet Union has just announced a new military budget 66 per cent higher than the record one of last year. The Polish parliament has approved a plan which puts all powers in the hands of a military dictator in the event of war. Evidence that Germany is feeling the strain of its frantic rearmament program is contained, moreover, in the semi-annual report of Berlin's Institute for Economic Inquiry. The labor shortage is pictured as being increasingly critical; transportation has bogged down, largely as a result of the tremendous amount of building supplies required for the construction of the new fortification systems; the

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raw-material situation is as desperate as ever. While the dictators undoubtedly still have a few trumps up their sleeves, control of the game seems rapidly to be passing out of their hands. \*

**THE MOUNTAIN OF PROPAGANDA FOR TAX** revision which has dominated the scene in recent weeks has produced a mouse in the form of Administration agreement to a "compromise" tax program. Mr. Roosevelt is reported to have assented to the abolition of the undistributed-profits tax and to minor changes in the excess-profits levy in exchange for a definite understanding that there would be no reduction in revenues. The penalty section of the corporation tax is to be strengthened to prevent corporations from retaining profits for the sake of tax avoidance. Elimination of the principle of the undistributed-profits tax is an important strategic victory for the reactionary bloc, but it is all but meaningless in practice. The undistributed-profits tax was killed for all effective purposes at the last session of Congress; the remaining 2½ per cent was too small to be important. Even less important are the projected changes in the excess-profits levy. Recovery will neither be aided nor set back by any of the proposed revisions, as was attested by the complete indifference with which Wall Street greeted the news. The real victory rests with the President, who has successfully checkmated, for at least the present session of Congress, all efforts to wreck the New Deal recovery program. There is still need for fundamental tax revision to lift the burden from the masses, but that has been made more rather than less possible by the paper victory of reaction in the present instance. \*

**HOPES FOR REVISING THE NEUTRALITY ACT** at this session of Congress were substantially revived over the week-end when Secretary Hull outlined a clear-cut Administration program on this difficult issue. The Pittman cash-and-carry plan, hitherto supposed to carry Administration backing, has been dropped in favor of a much simpler formula. This would amount to a virtual repeal of the arms embargo. All direct restrictions on the sale of arms and war materials would be dropped under the new plan as introduced by Representative Bloom, acting chairman of the House Foreign Affairs Committee, but the existing limitations on financial dealings with belligerents would be retained, as would the regulations controlling the manufacture of munitions in this country. The President would be empowered to name combat zones in which American shipping could go only at its own risk, as well as to restrict the travel of Americans on vessels of belligerent registry. In contrast to the Pittman bill, there are no restrictions on the arming of American merchantmen. While by no means as satisfactory as the Thomas-Geyer amendment, the plan is infinitely preferable to retaining the present act.

**WHEN THE NEW DEAL WAS FIGHTING FOR** its life, before the last election, the Dies committee did all it could to smear the President and the Democratic Party. Now "Dies Uncovers Whisper Attack on Roosevelt." The hearings held last week by the committee have done nothing to allay our suspicion that Dies is merely indulging in a bit of innocuous "exposing" of fascist and anti-Semitic movements to cover his red-baiting tracks. The McWhirters and the Deatherages are worth watching but are of little immediate importance. The real danger lies in such men as Father Coughlin and in such movements as the Associated Farmers. To expose them requires courage, intelligence, and sincerity, and it is idle to expect these qualities from the Dies committee. The only hope of turning prophylactic publicity on the powerful interests behind Coughlin and the Associated Farmers lies in the La Follette committee; the reactionaries in Congress are therefore working hard to keep its request for another \$100,000 bottled up in the Senate Audit and Control Committee. Already, as a result of the Dies excursion, it is being said behind the scenes in Washington that the La Follette committee is no longer needed. Does anyone seriously believe that Dies would probe into the National Association of Manufacturers? We urge every labor union in the country and every organization devoted to civil liberties to mobilize all the pressure they can, as soon as they can, to keep the La Follette committee from being snuffed out at this session. \*

**WE CAN THINK OF NO MORE SUBVERSIVE** influence than Tom Girdler. He tried hard to teach his striking employees in South Chicago (ten killed by police) and in Massillon (three killed by deputies) that the constitutional guaranty of the right to assemble is a scrap of paper. Through the use of local authorities and a mercenary citizens' committee, Tom Girdler has demonstrated that a great capitalist may flout the law when he chooses. His lawyers have so dragged out the Labor Board proceedings against him that his 5,800 striking employees will probably have to wait another year or two before they can collect the \$7,500,000 in back pay the board awarded them. On the eve of the second anniversary of the Memorial Day massacre, Girdler filed suit for \$7,500,000 in triple damages under the Sherman Anti-Trust Law against the C. I. O. and 700 of its members. Girdler long sought to avoid compliance with the Wagner Act on the ground that he was not engaged in interstate commerce. Now he claims that his employees, by striking, were guilty of conspiring to restrain interstate commerce. Add the fact that labor thought the Clayton Act meant what it said when it exempted trade unions from suits under its provisions and one has a picture not calculated to increase respect for the law among American workers.

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THE ARREST OF FRITZ KUHN, THE NAZI leader of the German-American Bund, on charges of common theft will surprise only the innocent. The philosophy that might makes right necessarily attracts a criminal element. The mistake of the Weimar Republic was to treat the gangsters as honest adversaries when they began to capture the electorate. We wish the D. A. and his staff every success. Meanwhile, we await the Nazi interpretation. The higher ups in Berlin must decide either to protect Kuhn or to let him down. In the first case it will be hinted that Kuhn spent the money rightly for secret political purposes which he naturally had to camouflage as private expenditures. In the second case the defense of Nazi morals will be even easier. They will find out that Kuhn's real name is Kohn and that he is and always was a bolshevik agent of World Jewry. If you think this fantastic, consider the *Völkischer Beobachter* of May 14. The headline, in red and underlined, runs: "U. S. A. Journalists Accuse Roosevelt as an Accomplice in a Political Murder." Subhead: "Sensational disclosure about the murder of Governor Long by Jew." The story is based on the Washington Merry-Go-Round of May 13, reporting the status of the investigation of the death of Huey Long. Of course Pearson and Allen neither said nor implied that the President of the United States had the slightest knowledge that Huey Long was to be shot. But Hitler's paper comments: "These accusations against Roosevelt from the pen of two renowned American journalists show only too clearly to the world how today in Washington, where Jewish influence prevails, policy and crime are combined." Roosevelt, curiously enough, was not referred to as Rosenfeld.

★

ELSEWHERE IN THIS ISSUE IS THE FIRST OF a series of articles intended to give a succession of candid-camera shots of the United States at a moment of restive uncertainty. Journalists with no political axes to grind have been invited to answer questions such as might be asked by an alert visitor to their respective sections of the country: What are business conditions? How is the section going politically? How do people feel about Roosevelt and the New Deal? Is there fear of war, and what is the prevailing opinion concerning the Administration's recent attempt to head off that catastrophe? Is the menace of fascism taken seriously? Are there signs of increasing anti-Semitism? And, finally, how about 1940? Naturally an article attempting to cover so much ground runs the risk of being on the superficial side; citizens of the same state as the writer's may strongly disagree. Nevertheless, we feel that these articles, coming from men trained in the art of gauging public opinion objectively, will be a valuable aid in clearing the air, and we believe that the controversy they evoke will add to their usefulness.

## Dies and the Press

THERE are two ways to kill a story. The commonplace method is to bury it alive, either in the wastebasket or on the obituary page. The other is to put it on page one and kill it through misleading headlines, false emphases, and belated denials of extravagantly publicized "charges." In their coverage of the recent Dies committee sessions some of this country's most influential newspapers, whether deliberately or not, have used the second method. Of some fifteen leading papers examined, the most obvious distortions could be detected in the New York *Daily News*, which boasts the largest circulation in the country, and the New York *Times*. Ironically, the most intelligent and clear-sighted reporting was furnished by Robert Humphreys, correspondent for Hearst's I.N.S.; Bruce Pinter of the *Herald Tribune* was a close second.

The story itself was simple, and most of the material was available months ago to any city editor who wanted it. The United States is dotted with scores of anti-Semitic, avowedly fascist groups. Most of them draw inspiration, if not weekly pay checks, from abroad. Their attack on democracy is made from behind a thin camouflage of "anti-communism," "anti-Jewry," and "Americanism." The legend of the "Jew Deal" has been tediously recited in every fascist journal and throw-away. The "Red-Jewish" plot to seize power is the American version of the Reichstag-fire lie. On the basis of this imaginary "conspiracy," the fascists hope to stampede the ignorant into "organized self-defense." What the Dies committee brought to the front page was the existence of the anti-Semitic fascist network and its bizarre propaganda. The disclosure was summarized in a headline in the Hearst *Journal-American*: "Anti-Semitic Plot Exposed by Dies." Contrast that headline with these: "'Red Army Plot' to Take Over Nation Stirs U. S. Probers" (New York *Daily News*); "'Red Army Plot' to Seize Government Is Bared" (New York *Post*); "Fantastic Plot to Seize Nation Bared by Dies" (Baltimore *Sun*); "General Moseley to Testify in M-Day Plot Probe" (Washington *News*); "Dies Hears of 'M-Day' Plot to Seize U. S." (St. Louis *Star-Times*). Each of these headlines, and the story below, stressed the imaginary "red" plot which General Moseley and his friends had invented. The headline in the New York Nazi paper—"Jewish Plot to Seize Nation?"—at least included a question mark.

The key figure in the "revelations" was an anonymous waiter in a Jewish club in New York who allegedly "overheard" club members planning future government moves. He gave these "tips" to Dudley P. Gilbert; invariably, Gilbert related, they proved accurate. This story was lavishly reported; the *Daily News* correspondents even included a "scoop," allegedly obtained from Dies

committee members: "The proof of the waiter's foreknowledge was demonstrated by postmarks on the envelopes containing reports which Gilbert sent to Campbell indicating the value of the listening post in the Harmonic Club." Within seventy-two hours it was shown that either the *News's* informants or the correspondents themselves had lied. The postmarks actually revealed that the waiter's "tip" invariably came after the event. Thus the frail substance on which the fascist melodrama rested was destroyed. But that disclosure—belated as it was—never appeared in either the *Times* or the *Daily News*. The United Press carried the disclosure as a tail to a long dispatch; many subscribing papers never published it.

Even more universal was the willingness of reputable newspapers to echo fascist terminology. When George Deatherage testified, the *Times* ran this headline: "Anti-Red Reveals Link with Rome." For eight paragraphs the story solemnly reported Deatherage's determination to fight the "Communist International." In the ninth he was described as an avowed fascist. The psychological difference between the words "anti-red" and "fascist" is obvious. Would the *Times* headline-writer describe Earl Browder as an anti-fascist? The tendency to identify "Jews" as "reds" was best illustrated by this *News* headline: "Dies Probes Plot on Jews Laid to Anti-Red Crusade."

Among newspapermen it is axiomatic that a denial never catches up with a charge; but the axiom is rarely respected. Last year the Dies committee sprayed its shots on innocent New Dealers, and the press daily reported New Dealers "linked" with communism. This time the victim was John D. Hamilton. Hamilton, as every Washington correspondent knows, was instrumental in the rout of Gerald Winrod, the Kansas anti-Semite; he has been repeatedly attacked in the native fascist press. But Hamilton sent out a copy of the Republican National Committee list to a fascist, with a cordial form letter, and the wires burned with the news that Hamilton was "linked" with anti-Semitism. The *Stern* papers published a dispatch hinting darkly that Mr. Hamilton knew more than he had confessed about anti-Semitic activities. By the time Hamilton could explain that the list was public and would be sent to anyone, a good deal of damage had been done. In this, as in other instances, part of the blame rests on the clumsiness of the Dies committee. But intelligent reporting could have mitigated the injury.

As isolated instances, none of these examples would loom large. They are important as cumulative evidence of the timidity and, in some cases, the fascist undercurrent which is paralyzing a good many American newspapers. Fascism thrives on false symbols, half-truths, "color words." The press can refuse to disseminate the catchwords that carry the virus of fascism. So far it has generally failed to do so.

## Japan Tempts Fate

AS THE months pass it becomes increasingly evident that the Japanese in China have bitten off more than they can chew. They control the chief cities and the greater part of the railways and other arteries of transportation. But the countryside is Chinese and the chief outlets for the occupied territory—Shanghai, Tientsin, Hongkong, and Amoy—are in the hands of the Western powers which tend to be sympathetic with the Chinese. To make matters worse, the Japanese have never been able to establish an effective rule in the occupied areas. Taxes are being collected for the Chinese government under the very nose of the invader. The puppet leaders have been notoriously unreliable. Though professing a desire for peace, they have frequently fomented discord because they know they would lose their jobs if peace came. Efforts to get an outstanding Chinese such as Wu Pei-fu to take the leadership of the puppet regime have failed, though rumor has it that Wang Ching-wei is about to accept a post under the Japanese.

The Japanese command first tried to clear out the guerrillas. But six highly organized, expensive drives against the Eighth Route Army base in Shansi ended in frustration or defeat. Attempts to clean up the smaller guerrilla bases in Hopei, Shantung, and Kiangsu likewise collapsed. The guerrillas simply retreated before the Japanese advance until they had trapped the invaders far from their base, then closed in and cut the lines of communication, forcing a retreat. The most recent Japanese offensive in North Hupeh appears to have met the same fate against Chiang Kai-shek's regulars. Two months of ideal spring weather, the traditional season for war in China, have passed, yet the Japanese have not been able to make any advance of consequence.

Frustrated in all efforts to deal with the guerrillas, the Japanese turned their attention to the foreign powers. But here they encountered much more stubborn resistance than would have seemed possible a few months ago. The landing of Japanese marines at Amoy was met by the landing of equally large detachments of British, French, and American bluejackets. Japanese demands on Tientsin and Shanghai were firmly rejected, and the International Settlement at Shanghai was put under temporary martial law. Unaccustomed to such measures from the Western powers, the Japanese hesitated. Dissension appears to have broken out between the more moderate elements in the high command and the hot heads who have increasingly dominated Japanese actions in recent years. Faced by the prospect of having their two-year adventure end in complete disaster if something is not soon done to break Chinese resistance, the hot heads have succeeded in having a blockade declared on all shipping off the China coast. This may lead to a critical situation if the

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foreign powers live up to their threat of sending naval convoys with their ships. Even more serious consequences will ensue if the Japanese press their demands for a share in the control of the British and French concessions at Tientsin and a larger share in that of the International Settlement at Shanghai. Any attempt to settle the issue by force would almost certainly be resisted by the powers. Since this is the case, the Japanese have apparently no choice but to back down. But with the success of their whole campaign in China at stake, it is not impossible that the extremist element will attempt a coup. For the Western powers to retreat before such a threat would mean not only the final desertion of China but the abandonment of all foreign rights and interests in the Far East.

## *Light on the Oil Trust*

WE VENTURE to say that as much could be learned about monopoly, its methods, its disguises, its phoenix-like ability to rise from the ashes of dissolution decrees, from an obscure bill now before the Senate Committee on the Judiciary as from the volumes of testimony piling up in the hearings of the Temporary National Economic Committee. The bill to which we refer, S 2181, was introduced by Senators Borah and Gillette. Its significance is not readily apparent, and it is unlikely that newspapers dependent on oil-company advertising will devote much space to explaining it. A bill "to prohibit interstate common-carrier pipe lines from transporting commodities in which such carriers have any interest" may seem of technical and minor importance. But it happens to strike at the heart of the new oil "trust" which has been growing up in place of the old trust, smashed by court order in 1911. For control of the pipe lines, the arteries through which oil pours from the great producing fields to the seaboard, is today's equivalent of the elder Rockefeller's secret alliance with the railroads. The enormous profits of the pipe lines—they earn from 24 to 400 per cent annually on net investment—have supplanted the rebates by which the creator of the Standard Oil trust milked and undermined his independent competitors.

The Borah-Gillette bill was introduced because oil interests succeeded in forcing a similar clause out of the Wheeler-Truman bill. The smell of oil has always been strong in the lobbies of Washington, and the oil lobby has always succeeded in the past and may succeed again in protecting monopoly control of pipe lines from Congressional attack. The first commercial oil pipe line of any importance was built in 1878 by independent western Pennsylvania oil producers in an attempt to escape the grip of the combination between the Pennsylvania Railroad and the Standard Oil Company, which was slowly forcing them out of business. Then as now control of

transportation facilities meant control of the industry, and by 1883 Rockefeller succeeded in bringing this pipe line—the last hope the independents had to get their oil to market on fair terms—under his control. The pipe line assumed increasing importance in the minds of the oil monopolists as regulation of railroads made it more and more difficult to discriminate against the independent oil man. The anti-rebating provisions of the Elkins Act of 1903 and the 1911 decision by the Supreme Court upholding the trust-busting decree against the old Standard Oil Company stimulated the construction of pipe lines. Control of the pipe line was used to squeeze out the independent as control of railroads serving the anthracite coal country was used against the independent mine owner.

The Hepburn Act in 1906 was an attempt to break up the coal-railroad combination. The original bill forbade a "common carrier" to convey commodities produced by a company owned by the carrier. In that form it would have applied to pipe lines as well as railroads. The oil lobby succeeded in changing the words "common carrier" to "railroad" before the bill was passed. Today the twenty interlocking major oil companies own 97 per cent of the oil pipe lines and determine the terms and rates on which oil is to be shipped to market.

Two figures tell what effect this has had on the independent oil producer. Twenty-five years ago the major companies produced no more than 20 per cent of their own crude oil. Today they produce 60 per cent. The combination that grew great on the supply of kerosene for lighting has now grown beyond anything the trust-busters dreamed of on the demand for gasoline to run the automobile and the airplane. In place of the trust we have interlocking financial controls and community of interest among twenty great companies taking 95 per cent of the crude oil produced in this country. The economic power of this combine overawes the agencies of law enforcement. The anti-trust laws could be used against the pipe-line monopoly. So could the anti-rebating provisions of the Interstate Commerce Act. Neither have been so used.

This is by no means merely an oil problem. It is also a railroad problem. And it is a coal problem. It is estimated that oil pipe lines drain half a billion dollars' worth of gross revenue from the railroads, enough to take most of them out of the red. But the economic power of the oil combine is great enough to muzzle the men who are responsible for the welfare of a 25-billion-dollar investment in railroads. The oil combine can threaten to divert freight unless the railroads behave. The combine's financiers can exert even more direct pressure. The Mellon and du Pont interests are but two examples of family concerns powerful in oil and also powerful enough as industrial freight customers of the railroads to swing the big stick over them. Du Pont is



Phillips Petroleum. It is also General Motors. A similar situation exists in coal. Competing fuels have eaten up 50 per cent of the market for coal. Fuel oil is the chief competing fuel. Fuel oil constitutes 38 per cent of the oil industry's output but provides only 12½ per cent of its revenue. There is reasonable ground for suspicion that sale of fuel oil is being subsidized at the expense of the gasoline consumer. Millions of dollars invested in coal and several hundred thousand mine families are affected. Why doesn't the coal industry fight? But our first- and third-largest bituminous coal companies are controlled by Mellon, and Mellon is also Gulf Oil. The second-largest coal company, now in bankruptcy, is controlled by Rockefeller-dominated trustees, and Rockefeller is Standard Oil. Oil can actually be shipped more cheaply by rail than by pipe line, but the pipe line is necessary to maintenance of monopoly controls. The consumer foots the bill. Railroad workers and investors, mine workers and mine owners, also pay in lost wages and lost investment. Could there be a more dramatic example of the economic wastes and pervasive power that flow from uncontrolled monopoly?

## Day Off

BY FRED KIRCHWEY

"What is the properest day to drink?  
Saturday, Sunday, Monday?  
Every day in the week, I think.  
Why should you name but one day?  
Tuesday, Wednesday, Thursday, Friday,  
Saturday, Sunday, Monday—drink!"

TO ONE brought up on the liberal sentiment of that fine old song, life on a weekly journal has proved a disillusionment. For some obscure mathematical reason that no editor, however omniscient, has ever been able to dope out, there is *no* day in the week that is a proper time to drink, or to engage in any of the other more relaxing exercises. A coming holiday on a weekly magazine is a threat, something used to frighten young editorial workers into cruel and unusual efforts. And the thing itself is a headache accompanied by chills and a slight fever.

"Every day in the week, I think!" In our office a holiday cannot find a single appropriate day upon which to fall. Take Monday, for example. Press day is Tuesday. A holiday on Monday means that almost every event reported or commented on in that week's issue of *The Nation* happened the previous week, not including Saturday, which has been wiped out of the editorial calendar by the five-day week. One result is an issue that arrives on the newsstands relatively stale and tasteless; even journalistic omniscience cannot be kept hot and juicy for nearly a week. A worse result is the harassment of

editors who are forced to crowd the work of preparing the issue into too few days, who watch the movements of men and affairs over the week-end with an anxiety that has nothing to do with the fate of humanity, and who arrive at the office to put the paper to bed on Tuesday morning in a condition that suggests the paper should put them to bed instead.

Take Tuesday. But don't *really* take Tuesday, because it is too much like taking one of the slower poisons. A Tuesday holiday means a Monday press day, with even less leeway for the inclusion of late happenings and hence an even more noticeably dated paper. When events are in the making on an ordinary press day, editors cover the gap before the appearance of the paper by various face-saving formulas: "As we write these lines . . ."; or "It seems likely, as we go to press. . . ." But no one has ever devised an alibi for the poor wretch who tackles a fast-changing situation six days before his words will appear. He can hardly say: "It seems probable, two days before Hitler's portentous address, which will occur four days before this issue appears on the newsstands. . . ." How do you put that in words to console the customer and invest the issue with the note of timely sagacity so important in a weekly journal of opinion?

Wednesday? Wednesday is the day editors think. Oh, yes, they do; except on weeks when a holiday interferes. In that case thinking is omitted, and other much more serious things happen. You have to begin shooting copy for the next issue to the typographers on Tuesday, almost before the last issue is on the press. You don't know what you want to print in the next issue, but the copy has to go over just the same. And on Thursday, when you do know what you want to print, it's too late because the copy is already set; anyhow the weekly conference to plan the editorials is on Thursday—except when a holiday occurs on Thursday, but that is another story—and after that the editors have to get busy writing on all those subjects they didn't have time to think about the day before—if they took their Wednesday holiday seriously, as a holiday should be taken. But Wednesday, though it kicks in both directions at once like a circus donkey, is by and large the properest day for a holiday.

Thursday, for example, is much worse. I know you'll want to hear about Thursday and Friday holidays because they do terrible things to the inner lives of editors and magazines. But not today, I'm afraid. Next Tuesday is a holiday. So, naturally, Friday is Monday, and Thursday is Friday, and today is Thursday. So today, if syllogisms still work in this uncertain world, is also Friday, and this reflective bit must be sent right over to the press. The rest of the story will have to wait, because the production schedule won't. I only wanted to point out in these few hasty pre-holiday words that a weekly journal is no place for roisterers who think that holidays should come every day in the week—or, for that matter, even on one day.

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# *This Is America*

## I. THE MIDDLE WEST DRIFTS TO THE RIGHT

BY WILLIAM L. WHITE

### JUST TIRED OF RELIEF

THE Middle West is drifting conservative. The gentle, steady movement started last summer and was chronicled in the fall elections. It has since continued at the same rate. It is not a rip-tide which cannot be checked, but I see nothing on the present horizon that will do so. Along with this trend, a warm personal affection for the President predominates, a belief in his sincerity and integrity, even though major parts of his program are questioned. If a Congressional election were held today, a slightly higher proportion of conservative Democrats and Republicans would be returned than were elected last fall, and yet the majority does not regret the votes it gave Roosevelt in 1936.

Those Middle Western Congressmen who voted to cut the relief appropriation undoubtedly represented a majority of their people. They are tired of the WPA, although this is more an emotional reaction than a reasoned conclusion that it is no longer needed. One astute observer reports that while the Middle West still wants "the aged, crippled, blind, and other disabled persons" aided, it is "tired of seeing the government support able-bodied men."

Practically every Midwestern governor had his budget badly mangled by the lower house of his legislature when these bodies met early this winter. The Representatives, fresh from the people, were more rabidly economy-minded than any since 1933. The state Senators, elected for longer terms, were more reasonable.

In the smaller towns public opinion is cool toward the activities of the Workers' Alliance. It is not excited by Dies committee charges that this organization is controlled by Communists. But, according to my informant, it is troubled by the fact that relief recipients are "becoming organized to obtain relief regardless of their ability to earn a living." The Middle West knows relief cannot yet be abolished, but it is resentful because this is true, and of its resentment is born the wishful belief that if relief were cut, many of its recipients would then "hump themselves and pick up enough odd jobs to pay them as much as the government now gives, and the taxpayers would get a break."

Yet relief is far from popular with its clients, most of whom "wish they had something else to do," and wax profane at the suggestion that WPA pays a security wage. They also complain that recent cuts in projects and relief

rolls have not been followed by corresponding reductions in the number of salaried administrators. Workers on the manual-labor projects are "dead agin" the white-collar projects—resentful of those who have "soft jobs writing guidebooks or making model prairie schooners for museums."

These currents in public opinion are recognized by those who administer relief. At a recent state conference of social workers a majority agreed on three salient points. First, it saw that "public sentiment is changing from sympathy for the relief client to consideration for the border-line person trying to keep property and pay taxes." Secondly, it thought that "too many veteran relievers have permanent certification on WPA." Lastly, it declared that "a new vehicle should be found to attack the unemployment situation," because "continuation of the present work and grant programs will set a fine stage for an American dictator when the set-ups bog down."

### TRADE UNION, FARM, AND FACTORY

The Middle West is predominantly a small-town civilization, and in such communities labor falls into three groups. At the bottom is unskilled labor, which in the twenties dug ditches, mowed lawns, went to the harvest fields in season, and picked up a precarious odd-job living, with the help of a few baskets of groceries from the county in the winter. This class is now almost universally on relief. Just above them are the building-trades workers, of varying degrees of skill, about half of whom managed to stay off relief through most of the depression. During the twenties the building trades were fairly well organized by the American Federation of Labor's craft unions, but dues dropped abruptly during the black years. Now that building activity—largely as a result of PWA and Federal Home Loans—has revived, union members who continued to pay dues during the depression are refusing cards to those members who became delinquent but are now anxious to get off relief. Consequently there is much scabbing, and a good deal of muttering is heard among these former union members in favor of a C. I. O. union which, embracing both skilled and semi-skilled, would forgive and forget those back dues. While the building trades in general prefer PWA, which employs skilled labor, to WPA, which does not, they realize that WPA has kept an army of starving men from scrambling for what few building

jobs there are, glutting the market and driving down wage scales, and they fear the results of deep cuts in relief rolls.

At the top of skilled labor in the average small town are the railroad brotherhoods. While they enjoy a princely wage scale in theory—in the twenties an engineer could count on a regular \$75 a week—in practice work is allotted by the union on the basis of seniority, and many of the younger men got through the depression on relief. Among these there is definite undercover muttering for a C. I. O. union which would cut down the take of the prosperous old-timers and spread the work among all.

The drift toward conservatism is most pronounced among the traditionally Republican farmers, and is probably traceable to the Administration's various farm programs, which, as mutilated by the courts and the Congress, have failed to bolster farm prices. Wheat, corn, and hog prices are sagging badly. The most popular feature of the composite farm program is probably that part of the soil-conservation program which stakes out the farms for contour plowing and helps the farmers buy fertilizer to get their land back in shape. The only popular part of the crop-storage loan arrangement is the checks that are distributed, and these are frequently accepted with misgivings. One prominent farmer, a former member of the AAA committee in his state, takes his with the remark: "We will have to pay back this money, so in self-defense we'd better get what we can of it, even though we know the whole thing is wrong."

Feeling against the AAA is heightened by the fact that the cattlemen—aristocrats of agriculture who have always steadfastly refused any government control—have had a prosperous year. There are several reasons. It takes four years to finish a steer, and there is still a shortage dating from the slaughter of cattle in the drought years. The ingredients of a beefsteak are grass and grain: the AAA program has increased the amount of available pasture, and low grain prices reduce the cattleman's cost of fattening his steers. Permanently low pasture and corn prices would of course result in an increase of cattle and a drop in the price of beef. But temporarily, as of 1939, the cattleman is buying his ingredients on a depressed market and selling his finished product on a high one.

Business sentiment toward the Administration has not greatly changed in the Midwest, except that under the influence of the recession and the not too heartening outlook of the current spring, anti-Roosevelt feeling has made some headway among little business men, moving downward, as always, from the top. Most of them are uneasy about what the increased schedule of social-security taxes will do to this year's profits, and some of them feel that the tax is "taking more out of the community than it is putting back in." These predict that

"things are going to be tough all during 1939 and won't get any better until 1940 brings a change."

#### WHO IS DIES?

Interest in the doings of the Dies committee is almost negligible. Its investigations are indorsed by a few die-hard reactionaries who feel that the existence of un-American activities "must be admitted, and the public might as well be told." They are condemned by what the West calls "folding-chair liberals," meaning small groups of intellectuals, often centering in college campuses, who have an active interest in such abstruse topics as consumer cooperatives, the Spanish Loyalists, and the doings of Mr. Dies. But the great masses of Midwesterners know little about Congressman Dies and care less: in the course of my researches I tried hard to unearth in the ranks of WPA some resentment against his committee's bias and was finally met with the blunt assertion that the average Midwestern relief recipient was concerned solely with his status on the rolls, "and cares no more about the Dies committee than a hog does about the Resurrection." On that firm note I leave it.

Anti-Semitism can likewise be dismissed. The only emotion Jews have ever aroused here is a faint curiosity, sometimes an even fainter hostility, caused by the fact that, in a pious churchgoing land, their religion denies the divinity of Christ. But they are no more considered a "problem," a "question," or a "menace" than are the Welsh. Currently, Middle Western Jews enjoy a slight aura of popularity reflected from their neighbors' intense dislike of Hitler.

The only event of immediate local interest in the Middle West is the disintegration of the Pendergast machine, which has dominated Kansas City for many decades and under whose rule Kansas City has been the toughest little town this side of Sodom. Pendergast's political power is explained by the fact that his candidates for city offices have been opposed by a lugubrious succession of stuffed-shirt Republican nincompoops—big taxpayers, faithful husbands and church deacons, no doubt, but offering the voters no vestige of a social program and promising only to reduce taxes for the big property-owners. In this they were comparable to the pre-LaGuardia opposition to Tammany in New York.

That is why the Pendergast machine to this day has never been beaten at the polls. Its downfall began several years ago when the New Deal Attorney General's office moved in on Kansas City and began indicting and convicting Pendergast henchmen for election frauds. Pendergast then demonstrated that he didn't really need to steal elections by winning the next one—all hands agree the count was honest—by a thundering majority. Yet the cost of defending his henchmen and paying their families pensions as they languished in jail was a heavy drain on the Pendergast war chest, and the final blows

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came this spring when Attorney General Murphy's office, tipped off by Missouri's Governor Stark, indicted Pendergast—and convicted him—for having failed to pay income tax on his share of the cut from several massive sums of political boodle.

Cynics infer—and I can't deny—that the New Deal's latest move in on Pendergast may have been nicely timed to show that Thomas E. Dewey has no monopoly on uncovering civic corruption. The Kansas City *Star* has also been vigorous in recent months, and its Washington reporter, Duke Shoop, has been effective and intelligent not only in telling the story but in piecing together the evidence. Of course the *Star* has always been against Pendergast, but until recently its opposition was an empty ritual performed just before election.

In general, I doubt that the Kansas City Republicans have learned the lesson which LaGuardia taught the bourbons of New York. This is that in any large American city the big property-owners must either support liberal candidates who will provide the people with good—and expensive—schools, hospitals, parks, clinics, subsidized low-cost housing, and a public-works program which will give useful jobs to the poor, or the people will turn to a corrupt political machine which will take at least as much money away from the property-owners in graft and shake-downs, thus distributing the wealth downward through unsavory and illegal channels. To the minds of Kansas City Republicans any distinction between a money-spending liberal and a corrupt political boodler is academic to the point of hair-splitting. This is why I think that, even with Tom Pendergast removed, his politically unbeaten machine will rise again, leaving its opponents with only their traditional monopoly on the local supply of righteous indignation.

#### WAR AND MR. ROOSEVELT

While the Middle West is following the Pendergast case, its universal topic of interest is foreign affairs, which, since Munich, surpass all domestic issues combined. The day is gone when that region can be regarded as a fat, sleepy, and insular land, immersed in its own problems and with no interest in events beyond the seas. Today any drugstore idler out here can draw, with soft lead pencil on the marble soda-fountain top, a recognizable sketch of the Polish Corridor. Last fall the people hung on the radio as Hitler yipped from the Berlin Sportpalast and as Kaltenborn suavely explained. Later they watched the newsreels of the German army goose-stepping through the streets of Prague. In contrast with the state of mental confusion in which the Middle West was floundering when it was elbowed into the last war, it has firmly crystallized convictions on the subject of the next one. In order of their intensity these are:

1. That we should stay out of it.
2. That because the Rome-Berlin axis is bent on world

domination, it may be wise to give the so-called democratic powers economic aid on a cash-and-carry basis.

3. That the Roosevelt foreign policy—popular with all classes in the Middle West—will achieve these two objectives.

4. That increases in our navy and air forces are probably necessary.

5. That war will be bad for American business.

6. That our part in the last one was a mistake.

7. That any future zeal displayed by Chamberlain or Daladier for the preservation of what is left of democracy in Europe will be designed for overseas consumption.

In short, the Middle West, contemplating the next war, has a much deeper dislike of Hitler than it had of the Kaiser in 1917, and yet has no illusions, since Munich, about the motives of our former allies. Up until the Munich betrayal I think it would have been possible to sell the Middle West a European war for democracy. During the Munich crisis Middle Western colleges reported a complete let-down in studies. Most of the boys feared they would eventually have to go to war, and what was going on in the classroom seemed suddenly unimportant. Today that has changed. In marked contrast to 1917, many undergraduates are boldly proclaiming that they will go to Leavenworth as conscientious objectors rather than to any European war.

Likewise the farmers have thought it through. Even if England and France could muster credit to pay boom prices for food and munitions—which the Midwest doubts—farmers would be willing to forgo the profit if it meant involving us in a European war. I quote one: "I'd rather see two-bit wheat again than have a boy of mine go to war."

The Middle West favors Roosevelt's foreign policy because it believes that it is designed to prevent any European war and that it has not committed us to military aid. But a recent Gallup poll shows that while the country as a whole approved by 60 per cent Roosevelt's message to the dictators, Midwestern opinion was more evenly divided, and the many dissenters who feel he is taking too active a part in European affairs contributed to the sharp drop in his popularity from March, when it stood at 58.2 per cent, to April, when it had sunk to 56.1 per cent.

But should a war break out in Europe prior to 1940, there would be a strong movement to draft Roosevelt for a third term, and in the Middle West he would be an unbeatable candidate. My informants on this point are all Republicans, and only one of them thinks the President's policy is designed to bring about this state of affairs. Yet if, by 1940, it turns out that the Roosevelt policy has so bungled matters as to bring us to the brink of war, the Middle West will be sore as a pup, it will elect a militantly isolationist Congress, and that will be the end of Roosevelt. However, if Europe is calm in

1940, the Middle West's strong feeling against a third term will come into play.

1940

Sentiment has not crystallized on candidates with one exception: even those Republicans who think Herbert Hoover could be nominated admit he could not carry a single Midwestern state. Old-line Democratic politicians, who on economic issues are as conservative as their Republican counterparts and who have frequently been ignored by Roosevelt, are unanimous for Garner. He is also the Republican choice for Democratic nominee. The New Deal office-holders favor Farley, largely because his is the first name that comes to mind. The non-office-holding New Deal liberals are completely in the dark.

On the Republican side, Tom Dewey's liberal 1938 campaign plus his histrionic talents have aroused the interested curiosity of the Middle West. Although this is tinged with some skepticism as to his ability and experience, Dewey still leads the Gallup poll here as elsewhere. Vandenberg also has his lukewarm admirers, and although no Republican name arouses much enthu-

siasm in this region, the party leaders believe that if they once more nominate a mildly progressive Republican of the general Landon stripe (Landon himself is considered out of it even in Kansas), this time they will carry the Middle West. Assuming that there is no war threat in Europe, and that the present mild drift to the right continues, I think they well may.

But that will not mean that storm troopers will be riding the Western prairies, with our liberties swallowed in black reaction. It will not even mean the repeal of any major New Deal reform. It will mean only that the Middle West, weary of eight years of lagging recovery, is ready to give ear to those glib critics who are sure that if they are allowed to revise taxation and free business from "restrictions," overnight the budget will be balanced and relief rolls emptied in a roaring recovery.

Of course this will not happen, and the way will be open for a more clearly thought out and tightly knit liberal program to be presented to the voters in 1944—provided that we don't let the mad hysteria of a war paralyze the thinking processes of our democracy. In that event anything can happen in the Middle West.

## *Giannini and the SEC*

BY PETER H. NOYES

**A**MADEO PETER GIANNINI of San Francisco is one of the last surviving specimens of that special kind of high-powered financier who was a unique contribution of the roaring twenties to the history of American finance. The other super-salesmen of that era—the Charlie Mitchells, the Van Sweringens, the Cyrus Eatons—have either passed into limbo or had to adjust their activities to a vastly different scale. But Giannini has passed through depression, banking crisis, and New Deal reform without relinquishing control of the organization which dominates the banking resources of the West Coast.

A rendezvous with the accountants, however, has finally overtaken Giannini. For the past four months he has been fighting an assault by the Securities and Exchange Commission which, if successful, will doubtless imperil his position as chairman of the Transamerica Corporation and of the Bank of America, fourth-largest bank in this country and the fulcrum of his power.

Now a man of sixty-eight, A. P. Giannini began his business life as a commission merchant in California. In 1904 he founded the Bank of Italy in San Francisco, with deposits of \$134,000, primarily to accommodate the Italian population of northern California. Giannini's special contribution to successful banking technique was

to provide his institution with the halo of a "people's bank" by devising for it a policy of "equal consideration for the big fellow and the little fellow alike" and employing the same kind of mild anti-Wall Street talk which Henry Ford once used so effectively. The venture proved to be highly successful. By 1919 the Bank of Italy held deposits of \$127,000,000; by the end of 1928 they had mounted to \$700,000,000, and in token of this growth the name of Bank of Italy was shelved in favor of Bank of America. Today the Bank of America has deposits of \$1,400,000,000 from approximately 2,200,000 depositors, and is the ninth largest banking institution in the world.

During this period Giannini likewise left small-time ideas behind him, embracing the grandiose schemes of the Coolidge bull-market days with gusto. He entered the holding-company field as early as 1919 with the formation of the Bancitaly Corporation and began the creation of a labyrinth of subsidiaries and sub-holding companies which eventually rivaled in complexity the products of the Van Sweringen brothers. In 1928 he consolidated the control of all these properties, including the Bank of America, in a super-holding company—the Transamerica Corporation—and entered their assets on the balance sheet of Transamerica at a figure some \$800-

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000,000 larger than their net asset value on their own books. Transamerica proved to be a model bull-market child; for 1928 and 1929 it reported net profits of \$138,000,000, of which Giannini was personally entitled to a 5 per cent share "in lieu" of salary, although charges were subsequently made, and are now revived by the SEC, that these profits were grossly overstated.

In 1930 Giannini presumably withdrew from active business and retired to Europe, relinquishing the chairmanship of Transamerica to Elisha Walker, now a partner of Kuhn, Loeb and Company. But after the Walker management late in 1931 had attempted to cut off Giannini's pay by challenging the validity of the 1927-29 profits of Transamerica and its predecessors, A. P. returned vengefully from Europe and in a furious proxy fight succeeded in deposing the Walker crowd. Since then Giannini has ruled the roost in Transamerica Corporation. In addition to having working control of the Bank of America, which is basic to the entire enterprise, Transamerica controls other large banks on the West Coast, important Western real-estate, mining, oil, and farm properties, fire- and life-insurance companies, and the largest single block of stock in the National City Bank of New York. It also owns 89.65 per cent of the Banca d'America e d'Italia, which operates thirty-one branches in Italy—a link that lends credence to the widespread belief that Giannini has strong personal ties with Italian fascism. Giannini's rule over these enterprises, moreover, is a highly personal one, although by his own testimony he now owns directly only a minute fraction of the stock of either Transamerica or the Bank of America. Some of the SEC's charges against the Giannini empire are based, in essence, on a contention that Giannini at times disregarded the corporate boundaries separating the Bank of America from Transamerica and employed the resources of the bank to support the interests of the super-imposed holding company.

As a national bank the Bank of America is subject to supervision by the Comptroller of the Currency. For an extended period before the explosion of last fall, it has been learned, the national-bank examiners' reports had been critical of certain of the accounting practices of the Bank of America. But no formal action was taken by the office of the Comptroller of the Currency, under J. F. T. O'Connor, to correct the criticized practices. Giannini's connections reached into broad areas. Because his political sophistication had been sufficiently developed to make him a supporter of the Roosevelt Administration, he had for some time occupied a front-rank position in the small but cherished group of big-business friends of the New Deal. His relations were particularly friendly with the conservative wing of the Administration.

But time and events can alter situations. The first clear indications that Giannini's previously unassailed position

was weakening appeared last September. J. F. T. O'Connor's term of office had expired and he had not been reappointed. Soon after his departure a telegram from the Comptroller's office was presented to the bank's directors, calling their attention to certain alleged overstatements of the bank's assets and requesting that no further dividends be paid until these matters were rectified. These demands were not acceded to at the time, but the telegram was a tip-off that trouble lay ahead.

The real bombshell, however, was dropped by the SEC. In contrast to the limited powers of the Comptroller's office—which could only inquire confidentially into the soundness of the Bank of America's assets and endeavor to secure corrections where needed—the SEC presumably had authority to probe into the entire Giannini empire and, furthermore, to focus public attention on its findings. The SEC had been having a look at Giannini's companies for some time. After the momentous September telegram, it obtained access to the national-bank examiners' reports on the Bank of America. On November 25 it announced that it had started a proceeding to determine whether the stock of Transamerica Corporation should cease to be listed on the New York, Los Angeles, and San Francisco stock exchanges because of "false and misleading statements of material facts" in the corporation's reports to the commission. The meat of the SEC's complaint was that Transamerica and its subsidiaries consistently manipulated their accounts so as to overstate their earnings and therefore misled investors who purchased or held Transamerica stock on the strength of its official reports.

Since the major part of Transamerica's earnings are derived from dividends on its Bank of America stock, overstatement of earnings by the bank and the payment of dividends on the strength of those overstatements would necessarily result in an important overstatement of Transamerica's earnings. For instance, the SEC contends that at the end of 1936 the Bank of America carried reserves of only \$529,928 against loans and discounts of \$539,899,100, which included losses and doubtful accounts of more than \$8,000,000 as well as slow or inadequately secured accounts of more than \$125,000,000. Failure to provide adequate reserves would constitute in effect, of course, an overstatement of the bank's net earnings. Because of these and similar practices, the SEC maintains that the bank's "undivided profits" of \$22,503,612 at the end of 1936 were fictitious, that it overstated its profits in 1935 and 1936 by more than \$13,000,000, and that it paid to Transamerica approximately \$5,000,000 more in dividends during those two years than it actually earned.

Another of the SEC's charges is that the Giannini companies resorted to a peculiar sequence of devices "to evade the necessity of charging off certain assets of the bank in the face amount of \$35,214,000 which the



national-bank examiner in 1931 had classified as losses and doubtful assets of such an unsatisfactory character as to require their elimination from the bank's balance sheet." \* The SEC contends further that in order to comply with this requirement a subsidiary of Transamerica contracted in 1931 and 1932 to purchase these assets from the Bank of America at their face value. But in subsequent years, according to the SEC's charges, the bank employed a number of devices to liquidate its \$35,214,000 claim against the Transamerica group; for example, in 1935 and 1936 the bank wrote up certain of its security investments by about \$14,000,000 and used this "profit" to reduce its claim against Transamerica. Again, having sold certain assets to Transamerica subsidiaries for \$300,000 and the subsidiaries having subsequently collected \$1,486,185 on these assets, the bank repurchased the same assets for \$6,500,000, and the proceeds of this transaction were used to reduce further the bank's claim against Transamerica, according to the SEC's complaint.

The commission also makes numerous charges of overstatement of earnings and other misleading accounting practices by Transamerica itself, over and above the inflation of its earnings allegedly resulting from the bank's accounting practices. For example, the SEC contends that in the years 1934 to 1936 the Transamerica Corporation paid \$2,750,000 to one of its subsidiaries for expenses incurred in "encouraging and stimulating the public to purchase Transamerica Corporation stock" in the open market. These payments, the SEC maintains, were not included in Transamerica's current expenses; if true this would result in an overstatement of its earnings by that amount.

Likewise under fire from the SEC are stock-market operations involving A. P. Giannini personally. The commission charges that he made use of his inside information on Transamerica's affairs to enable an outside company in which he was a large stockholder to make profits of \$1,629,941 in 1936 from market operations in Transamerica stock. The commission further contends that under the Securities Exchange Act Transamerica is entitled to recover Giannini's share in those profits, a right which thus far has not been exercised by Transamerica's board of directors, of which Giannini is chairman.

On April 5 the SEC applied to the federal District Court in San Francisco for a permanent injunction restraining the Bank of America, A. P. Giannini, his son, L. M. Giannini, and others from making "untrue statements of material facts" in connection with the sale to the public of "Timetrust" certificates, which represent a method for instalment purchases of Bank of America common stock. The commission charged that Timetrust

certificates with a face amount of \$1,600,000 had been sold since last August and that they were described to the purchasers as similar to a savings-bank account. The next day the commission also asked the San Francisco court to restrain William J. Mahaney, a former SEC attorney, from continuing to supply the Bank of America with confidential information about the proceedings against Transamerica, information which he allegedly acquired during his service with the commission, and to enjoin the bank from continuing to employ him as an attorney. The SEC declared that the bank hired Mahaney on January 1 at a salary of \$7,500 a year, in contrast to his salary of \$4,000 a year with the commission. At the time of Mahaney's change of jobs, the SEC charges that he "falsified to the commission the identity of his employer and the nature of his employment."

The SEC made public its charges against Transamerica on November 25. Since that time Giannini has counter-attacked on three fronts. The first campaign was one of behind-the-scenes negotiations designed to obtain an acceptable limitation of the SEC's investigation or even, in the opinion of some newspaper observers, to get it called off altogether. Despite the pressure, the SEC opened its hearings on January 16 as scheduled.

The second campaign was a long-drawn-out politico-legal battle which is still continuing. Giannini engaged Donald Richberg, former NRA counsel and administrator, as his chief counsel, and for associate counsel obtained the services of William Stanley, who was an appointee of former Attorney General Cummings in the Department of Justice and is now his law partner. Since the source of Giannini's power as well as of much of the SEC's evidence is the Bank of America, the legal efforts of the Giannini counsel have been devoted mainly to keeping the commission away from the sacred records of the bank. For this purpose Messrs. Richberg and Stanley sought an injunction, maintaining that the SEC had no right to investigate the affairs of a national bank, that it was attempting illegally to usurp the powers of the Comptroller of the Currency, and that the Secretary of the Treasury had violated the law in furnishing the SEC with national-bank examiners' reports. The injunction was promptly thrown out by the District Court in Washington, which was in turn upheld by the United States Circuit Court of Appeals. Barring an injunction by the Supreme Court, the SEC's course is clear.

In his third and most spectacular campaign Giannini has endeavored to picture the SEC's proceeding against Transamerica as a personal plot against himself. In developing this angle Giannini has had the assistance of his expensive counsel, who repeatedly contended during the hearings that the SEC's case was merely an "unwarranted and unjustified personal attack" on Giannini, and of a high-powered and high-paid publicity man, Edward

\* Statement by O. John Rogge, assistant general counsel of the SEC.

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Bernays, who has tried in his numerous publicity hand-outs to develop the theme of the personal vendetta. But the actual naming of names in this persecution yarn has been left to A. P. Giannini himself, and even his remarks have been "off the record." He has spread his tale by word of mouth. On one occasion he told a group of newspapermen at the SEC hearing that the case against him had been plotted by a "pack of Jews" and that William O. Douglas, then chairman of the SEC, was a "liar" for asserting that there was a controversy between the Comptroller's office and the Bank of America.

In other conversations Giannini has elaborated the conspiracy to the proportions of melodrama. He has contended—"off the record" but before witnesses—that Elisha Walker in 1931 sought to have Transamerica and the Bank of America rescue the tottering Ivar Kreuger empire and Lee, Higginson and Company, but were thwarted by Giannini's return to power. Ever since then, he alleges, his enemies have plotted to recapture the Bank of America. The dramatis personae in the Giannini thriller, besides Walker, include Kuhn, Loeb and Company; Lazard Frères; Mrs. Herbert Lehman; the Fleish-

backer interests of San Francisco, who are rivals of Giannini for the financial hegemony of that city; Eugene Meyer, former head of the Federal Reserve System; and Henry Morgenthau, Jr., Secretary of the Treasury. Morgenthau, in fact, is Giannini's special *bête noir*. In unsuccessful efforts to support the theory of a private vendetta Giannini has sent provocative telegrams to Morgenthau, has had his son publicly challenge Morgenthau "to lay all the cards on the table," and has asserted in the presence of numerous listeners that he would like to bring a \$2,000,000 personal damage suit against Morgenthau and others if his lawyers would let him.

Some time ago, during an extended recess of the hearings, Giannini returned to San Francisco. On his arrival there he remarked sadly to reporters that he was "disillusioned" with the New Deal and was pained to discover that the SEC was interested in publicity rather than justice. The indications are that Mr. Giannini will experience considerably more pain and disillusionment before the Transamerica case becomes finished business, no matter what its eventual outcome may be.

## Swastika Science

BY MORRIS GORAN

WHEN the Nazis came to power in Germany, Bernhard Rust, a prominent party member, was named Prussian Minister of Education and Culture. One of his first acts was the dismissal of Fritz Haber, described in Germany as late as 1930 as "Germany's greatest man." More than any other one thing, Haber's process for the fixation of nitrogen had enabled the Kaiser to hold out for the four years of the Great War. According to Rust, Haber, who was of Jewish descent, "resigned" from his posts of professor at the University of Berlin and director of the Kaiser Wilhelm Institute for Physical Chemistry and Electrochemistry because his assistants at the institute—Herbert Freundlich, now in the United States, and Michael Polanyi, now at the University of Manchester in England—had been asked by the government to retire. "Professor Haber declared that he would not tolerate any direction as to who his collaborators were to be," Herr Rust said at the time. "I could only reply that I, as Prussian Minister of Education, must see to it that the younger generation of Germans was drawn into collaboration. In the long run this is more important and beneficent than giving individual scientists the opportunity of making some discovery." The rumor still persists that Haber's death in January, 1934, in Switzerland, was a suicide.

The continued expulsion or "resignation" of scientists called for Nazi explanations, and these were soon forthcoming. Early in 1934, in the correspondence columns of the English scientific publication *Nature*, appeared a letter from Professor Johannes Stark of Germany, winner in 1919 of the Nobel prize for physics, written to correct certain "inaccurate assertions" made by the physiologist A. V. Hill, also a Nobel-prize winner, in a Huxley Memorial lecture. Instead of a thousand scientific workers having been dismissed, less than half that number, according to Stark, had "voluntarily" given up their posts. Instead of 100,000 people being in concentration camps, the number was less than 10,000. Measures against Jewish scientists were only for the purpose of curtailing their "unjustifiably great influence." Moreover, Jews who had served at the front were not affected. In reply, Hill, neither Jewish nor Socialist, discounted Stark's statement about war service as a falsehood and cited many kinds of so-called "resignation."

Meanwhile, in Germany the Nazis were distributing a pamphlet by Stark entitled "National Socialism and Science" in which he asserted that Jews, being self-centered and using facts only to serve their own ends, were incapable of making great discoveries in science. Jewish scientists in Germany, he said, had been strangling



real science by their theorizing: namely, Klein and Hilbert in mathematics, Einstein and Sommerfeld in physics, and Haber in physical chemistry. Yet two months later Stark again wrote to *Nature* to correct what he called the misunderstanding in English scientific circles about the attitude of the Nazi government toward science. "Various Jewish scientists without being forced to do so," he wrote, "have given up their professorships and moved to other countries. This they have done, as some of them have declared openly, out of sympathy with their Jewish kinsfolk who were affected by the law. . . . One should not set them up outside Germany as martyrs. . . ."

Many other German scientists were not so apologetic as Stark. On the first anniversary of the death of Fritz Haber, the Kaiser Wilhelm Institute for Physical Chemistry, the German Chemical Society, and the German Society of Physics made plans to honor him. The Minister of Education forbade all officials and teachers in German universities to attend the memorial services, but on January 29, 1935, while the German press ignored the event, some 500 scientists gathered in Dahlem, a suburb of Berlin, to pay tribute to Haber. Professor Max Planck, opening his eulogy with the Nazi salute, said, "We reward loyalty with loyalty and pay our earnest tribute at this moment to the German scholar and German soldier, Fritz Haber."

The purge, however, went on. On August 13, 1935, Dr. Arnold Berliner, founder and for twenty-three years editor of *Die Naturwissenschaften*, was removed from his post because of his Jewish descent.

In order to strengthen its hold upon German science, the Nazi government, through the Reichsminister of Propaganda, next created a "Science Congress Center," the avowed purpose of which is to use scientific congresses, held in Germany or elsewhere, to influence public opinion in favor of the Third Reich. For conventions held in Germany the center acts as the official censor of the program and list of speakers. For scientific meetings held outside Germany it organizes German scientists in a united delegation under an appointed leader loyal to the National Socialist Party. Nevertheless, when the Kaiser Wilhelm Society for the Advancement of Science in January, 1936, celebrated the silver jubilee of its founding by the Kaiser, the work of the Science Congress Center was hardly noticeable. President Max Planck again praised Fritz Haber. Professor Otto Meyerhoff, director of the Institute for Medical Physiology and a Nobel-prize winner, who was demoted after the Nürnberg laws became more effective, and Professor Richard Goldschmidt, an eminent biologist and Nobel-prize winner, now at the University of California—both Jews—took part in the festivities.

Among other German scientists the Nazis were making more headway. At the dedication of the Philipp Lenard Institute at Heidelberg University in December,

1935, Dr. Wacker, representing the party and the government, said, "It is, then, very superficial to speak of science 'as such' as a common property of mankind, equally accessible to all peoples and classes and offering them all an equal field of work. The problems of science do not present themselves in the same way to all men. The Negro or the Jew will view the same world in a different way from the German investigator." Professor Philipp Lenard published two years ago the first volume of a work entitled, "Deutsche Physik," and dedicated it to Wilhelm Frick, Minister of the Interior, in these words: "'German physics?' one asks. I might rather have said Aryan physics or physics of the Nordic species of man, the physics of those who have plumbed the depths of reality. . . . I shall be answered, 'Science is and remains international.' It is false. Science, like every other human product, is racial and conditioned by blood."

But German science was not yet fully regimented. In March, 1936, the *Völkischer Beobachter* published an article by a party member and student of physics, Willi Menzel, excoriating Einstein and all theoretical physicists as Jews or products of the Jewish spirit. The article caused six Nobel-prize winners in physics to engage in a public controversy on German physics versus Jewish physics. Defending Menzel's point of view were Professors Lenard and Stark. Opposed, making no mention of politics or Jewishness but merely defending theoretical physics, were Professors Max Planck, Max von Laue, Erwin Schrödinger, and Werner Heisenberg.

More than a year and a half after this controversy the Nazi Alfred Rosenberg declared that the National Socialist Party could not assume a dogmatic ideological attitude toward problems of cosmophysics, experimental chemistry, and prehistorical geography because these represent problems of the natural sciences, in which earnest and impartial investigation is free to every scientist. But two weeks after Rosenberg's pronouncement *Nature* was banned in Germany. The Ministry of Education issued an order saying: "In the scientific weekly journal *Nature* articles have been published containing unprecedented and base attacks upon German science and the National Socialist state. Therefore this journal must be excluded from general use in scientific libraries."

The Nazis, indeed, mean to purge or ban all scientific journals. In July, 1937, an article entitled White Jews in Learning appeared in the Nazi periodical *Das Schwarze Korps*. The author demanded the extermination of the Jewish spirit, typified by Professor Einstein, from German science. "It is characteristic," he said, "that in a time which brings fresh tasks to German medicine and which awaits decisive achievements in the fields of heredity, race hygiene, and public health our medical journals should in the space of six months publish, out of a total of 2,138 articles, 1,085 from foreign authors, including 116 from Russians of the U. S. S. R. These articles of foreign origin

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scarcely concern themselves with those problems which seem so urgent to us. Under cover of the term 'exchange of experience' there lurks that doctrine of the internationalism of science which the Jewish spirit has always propagated because it provides the basis for unlimited self-glorification."

Scientists in other parts of the world have attacked the Nazi race dogmas as based upon theories long discredited. They have protested even more strongly against the suppression of free inquiry and the nationalization of science. In December, 1937, the American Association for the Advancement of Science proclaimed that "science is wholly independent of national boundaries and races and creeds." It also reaffirmed its earlier condemnation of "persistent and threatening inroads upon intellectual freedom" as "a major crime against civilization itself." In 1937 the British Association for the Advancement of Science invited the Americans to draft a "Magna Charta, a Declaration of Independence," to proclaim that "'national science' is a contradiction in terms."

More important than resolutions is the aid that has been furnished to refugee scientists. The Academic As-

sistance Council, composed of forty-two British scientists and men of affairs, has been active abroad. The American Emergency Committee in Aid of Displaced German Scholars placed, with the aid of financial grants, thirty-five scholars on the faculties of American universities in 1934; more than 1,100 scholars had made application to the committee. By March, 1938, 1,684 professors had been dismissed by the Nazis, 896 of these for the crime of being Jewish, Catholic, or "politically unreliable." No reason was given for the dismissal of the others. Some left in protest.

Nazi Germany would like to have a few of these professors return—those, for instance, who could help in the rearmament and self-sufficiency programs. One German scientist who had found asylum in the United States was invited to return by Herr Rust in 1937. Rust promised him that his ancestry would be forgiven because he was needed in the rearmament program. The scientist declined the invitation and expressed the hope that Herr Rust would succeed in benefiting German universities as much in ten years as he had benefited American universities in one year.

## Remember Chicago!

BY MARGARET MARSHALL

JOHN MCCARTNEY, boilermaker and welder, woke up at nine on Sunday morning with the sun in his eyes. He noticed that his wife's place was empty and that he was very warm. The sun was hot in the room. He threw back the covers lazily. It was Sunday. It was Memorial Day. He took his time about getting dressed. Clean shirt, good trousers. They'd be going to see his mother and his wife's folks. The brass bed blazed in the sunshine; the cheap mirror over the dresser threw back his reflection with burnished clarity.

The kitchen, on the other side of the house, was dark and cool. Marian had heard him stirring and was getting his breakfast ready for him.

"Sure a nice day," he said, and they smiled at each other. He went on out to the back porch and spoke to his little girl, who was playing in the back yard. When Marian had put his breakfast on the table, they sat for a while reading the Sunday paper.

"I guess we ought to start pretty soon," she said. "Mother said she'd have an early dinner and then we can go to your folks'."

They started around eleven. They had to walk a few

blocks to get the street car—both their families lived across town. Two-family houses stretched for blocks. Blank parlor windows stared from their porches, and the bright light showed up their peeling clapboards. A car went by occasionally, and a few kids were playing ball in the street, but the sounds were muted in the Sunday silence that seemed to contain the accumulated silence of a thousand other Sundays. The clanging of the street car as it slowed to pick them up was deafening.

For a long time they sat on the swaying straw seats and watched Chicago go by, monotonous, sprawling, flooded with sun. They got off in a street scarcely different from their own and disappeared into one of the two-family houses.

It was two-thirty when they arrived at John's mother's place. She was sitting on the porch and did not get up. She had not been well for a long time. John could see that she had been crying.

"What's the matter, Ma?" he asked.

She looked up at him anxiously. "It's that strike at the mill."

He nodded. And then, gently, "How are the boys?" His two brothers worked for Republic Steel at its plant half a mile away. Jim was married and lived a few

\*The material for this narrative is taken from Part 14 of the hearings of the La Follette committee appointed "to investigate violations of the right of free speech and assembly and interference with the right of labor to organize and bargain collectively." Names of individuals have been changed.

blocks down the street. Michael still lived at home.

Mrs. McCartney began to cry. "Jim's out," she said, "but Michael stayed in. I don't know why. It's not a question of money. I've heard so many stories about his being kept against his will."

They talked about the weather after that.

Some time later he said he thought he'd drop in at Jim's place and left the two women sitting on the porch. His child walked with him a little way down the street. Then he leaned down and kissed her lightly and she ran back, turning once to wave her hand.

Jim was not at home but his wife was. She told him Jim had gone to a union mass-meeting at Sam's Place, an old tavern that the union was using for strike headquarters. John tipped his hat and went on. Houses here were scattered; a little farther on they gave way to open prairie. He could already see the crowd at Sam's Place. At the far side of the prairie, smokestacks rose over the long block-like buildings of the Republic plant.

The mass-meeting was going on. He moved through the crowd inquiring for Jim. Jim would know about Mike. There were a lot of people there he knew. Their wives and children were there too. Most of them were dressed up, like himself. Several people told him they'd seen Jim a little while before but didn't know where he was now. He stopped a minute to listen. The speaker was reading a paper about peaceful picketing. Something the Mayor had said. Then he announced that a parade would form to march to the Republic plant and make a picket line in front of it.

The meeting broke up slowly in the sultry afternoon. The parade formed haphazardly, women and children and all. Two men with flags walked at the head of the line. There were a few placards raised on sticks. John didn't join the parade at first. He walked up and down the sidewalk of Green Bay Avenue, which ran alongside the prairie, looking for Jim in the crowd—there must be two thousand people. As he stood on the sidewalk craning his neck, a friend shouted to him. Perhaps it would be easier to find Jim if he mingled with the crowd. His friend introduced him to his mother and father as they walked along. A little farther on he fell out once more and walked along the crowd's edges looking for Jim. When he rejoined the parade he was nearer the front. He could see a line of police now, waiting in a sort of semicircle, far out in front of the plant. As the straggling parade moved closer, he could even see some figures moving around inside the plant fence. Perhaps one of them was Michael. He might get close enough to identify him and wave at him. He hurried along. He reached the head of the line and passed the flag-bearers. He stopped at the police line and spoke to an officer.

"I'd like to get a message into the plant," he said. "My brother's in there. My mother's sick, and I want to let him know. His name is Michael McCartney."

The officer shook his head, but John went on earnestly: "Listen," he said. "Couldn't you send me in with a couple of officers? I've got to get hold of my brother."

Then John noticed that the officer wasn't paying any attention to him, that he was just shaking his head steadily and looking past him. In the same instant he heard another officer say to a marcher just behind him, "Stand back, you son-of-a-bitch, or I'll fill you full of lead!" John looked quickly at the officers to his right and left. He noticed for the first time that they had their guns out. He said afterward that they looked like football players waiting for the last signal to charge the line. He fell back involuntarily.

Then he heard the blast of a whistle and hell broke loose. Something struck him on the left side of his head and he went down with the blood gushing from his face.

The terror of his own blood flowing made him weak. It was running into his mouth, and he tried to stay in a crouching position to keep it from strangling him. As he tried to run back, crouching, he realized that his left eye could not see. Through his daze he heard shots and he saw people in front of him, running, going down. He wondered what was doing all that, what was mowing them down like that, like a scythe. He looked back and saw the officers firing into the crowd.

Somewhere along the way he threw himself into a ditch. The shooting was still going on. Maybe the bullets would miss him if he stayed in the ditch. As he lay there he heard a voice on his left, his blind, side. "Help me, buddy," it said, "I'm shot."

He couldn't help. He tried to explain to the voice that he couldn't help. Just then a green ball of fire fell to his right, a few inches from his face. It was spitting blue smoke that hurt his right eye and choked him. With a desperate effort he raised himself, stood up. A feeling of nausea ran over him. He could see nothing, but he stumbled on, sick at his stomach, groping, crying. At last someone grabbed him under the arms and his legs crumpled. He felt himself lifted and carried, placed in a car. There were others there. He could hear them moaning. He heard someone say, "To the nearest hospital," and the car moved, bumping, bumping.

But the car stopped. He felt men jumping on the running board. Policemen. He was dragged out, with the others, and pulled into another car. A police patrol. Why?

He seemed to be struggling through a thick dragging fog. He dreamed that dying men lay about him, moaning. Or was it real? He heard himself crying out. He dreamed the car stopped and started again, slowed down and crept on. Once the door opened and a voice cut sharply through his dream. "Shut up, you son-of-a-bitch. You got what was coming to you." He heard another voice saying stop at a doctor's because those men were still breathing. He heard the same voice, years later, saying, "Oh, they've stopped breathing." He went to sleep.

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## Everybody's Business

### The Conscientious Investor

THE question of the responsibility of the absentee owner for the uses to which his property is put and the way in which his income is earned is not new. It was raised in the days of the anti-slavery agitation; it was posed forcefully in the nineties by Bernard Shaw in "Widowers' Houses." In the present era of giant corporations the problem has become even more difficult. The capitalist, large or small, is perforce an absentee owner. He has little or no voice in the management of his property, and all too often he cannot even obtain adequate information about it. Hence the only form of control open to the conscientious investor is a negative one: he can avoid putting his money into those corporations of whose business or methods he disapproves.

That sounds simple enough, but when one gets down to actual cases all sorts of complications arise. For example, an ardent member of the W. C. T. U. would naturally refuse to invest in liquor stocks. Would she also have to cold-shoulder a glass-container concern on the ground that a part of its profits might be derived from the manufacture of whiskey bottles?

A correspondent has raised this problem in its most intractable form by asking for guidance on how *not* to invest in armament shares. She is a woman with strong moral scruples about receiving benefits from the production of the means of slaughter. "I would rather," she writes, "gain an income from brothels than from bombs, but I find it increasingly hard to discover investments in which there is no direct or indirect arms interest."

Her dilemma is easy enough to understand if one tries to answer the questions: What are armaments? What is an armament business? Under modern conditions the connotation of the term "war material" is being constantly enlarged, and as a result the boundary between the things of war and the things of peace is considerably blurred. Innumerable products essential to civil life can unchanged serve the needs of war. The barbed wire which keeps the farmer's cows from straying is no different from that in which his son may be caught and riddled with bullets. The tractor which speeds the plow may easily be adapted for hauling guns. Thus the conscientious investor must inquire not merely whether a corporation is at present solely engaged in peaceful production but also whether its business has a war potential.

The same difficulty arises in the case of companies producing raw materials or semi-finished products for the use of other companies. War is a greedy consumer of all metals, and when armies clash, mining and smelting concerns flourish. Yet since their normal business is peaceful, conscience, it might be argued, could be appeased by selling out when hostilities begin. But the Stock Exchange has a way of discounting increased profits in advance, and the investor who got rid of his (morally) doubtful stocks under these circumstances might easily find himself the unhappy possessor of ill-gotten capital gains.

The question, What is an armament company? is an even more difficult one to answer. Actually there are few simon-

When he woke again the car had stopped and he heard someone say, "We'll take this one on in. Take the others to the morgue—no use bothering with them." Then they took him by the arms and pulled him out of the car and up some steps. They crumpled him on a bench and left him. Some time, a long time, later they came and stripped his clothes from him and left him again, shivering and blind. At last they pulled him up once more, put him in a bed, washed the blood from his face, and wound a bandage around both his eyes.

Time passed. Food was set before him. He felt empty but he could not see to eat, and when someone tried to help him a voice roared out with curses, "Get back to bed, you —." He asked for a glass of milk but none came. He asked for Marian but she did not come. At intervals he remembered that he was looking for Jim and Mike but he could not see. Pain ran over his head like a stinging liquid and consciousness left him. But it came back.

A doctor stood beside his bed, it must be a doctor, and uncovered his left eye. He felt a needle in his arm; then a sharp jab in his left eye and another. Stitches. Later the bandage was put back. Later still they uncovered his right eye. It was badly swollen but now he could see a little, enough to taste some food, and, suddenly, Marian came. Then she went away to get clean clothes.

When she was gone his tormentors returned. They gave him his bloody clothes in a sack and told him to go to the washroom and dress. He spoke of Marian and clean clothes. He told them he couldn't walk, but they dragged him to the washroom. Someone there helped him to dress himself in his clotted clothes. The smell made him sick. He was led to a bench and told to wait.

At last Marian came back. She helped him get into a cab to go to another hospital. Then he lost consciousness once more.

It was another Sunday, and John McCartney woke with the sun in his face. He lay without moving for a time. A bandage covered his left eye. Slowly he remembered that its socket was empty. Then he knew Marian was standing by the bed.

"How do you feel, Jack?" she said.

He turned his head painfully to the left so that he could see her. He spoke with difficulty.

"I didn't do anything," he said. "I didn't want any trouble."

"I know," said Marian. "Just rest, and I'll bring you some coffee."

"I wouldn't have gone if I'd thought there was going to be trouble. I just wanted to find Jim. Nobody wanted any trouble. Jack Williams had his mother and father there. And his kids. . . ." He turned his head on the pillow and cried weakly. Marian went to the window and pulled down the shade against the June sunlight.



pure armament concerns in this country. The conscientious investor might very well keep away altogether from aviation stocks, although most of the companies manufacture commercial as well as military planes. But logically can one refuse to derive a profit from the manufacture of war planes while accepting dividends arising from the manufacture of the machine tools with which they are constructed? Is it enough to shun a corporation which builds battleships? Should we not also look askance at General Electric—the probable source of the machinery which makes a modern battleship a floating power-house? Broadly speaking, it is possible to say that all companies in the metal and machinery industries have a contingent equity in war goods, and that even in times of peace many of them derive some business from armaments.

Another difficulty in marking down armament firms is the tendency of giant corporations to spread horizontally. Where subsidiary activities are unimportant compared with the main business, stockholders—who, by and large, are not sufficiently curious—often remain unaware of their existence. How many investors in General Motors, for instance, know that they have acquired an indirect interest in North American Aviation? Again the business of Baldwin Locomotive may be thought to be solely what its name denotes; actually a subsidiary corporation makes armor plate for warships.

Undoubtedly executives of corporations such as those mentioned would insist that any armament business they did was incidental and would protest that they stood to gain far more from the continuance of peace than from the outbreak of war, however many orders war would bring in. There is no reason to question their sincerity, but that does not solve the problem of those investors who, in peace or war, wish to keep their hands clean of all profits derived from arms. Such investors, it is clear, must engage in very arduous research before seeking their brokers. And when they have done so they must impose a self-denying ordinance in regard to a vast range of industrial enterprises.

Perhaps it will be some consolation to my correspondent and others like her to know that if America ever takes part in another war the problem will almost certainly be solved for them. Profits will have to be cut out entirely, not merely on grounds of morality, but in order to obtain the kind of productive effort that modern warfare demands. The task of the government will be to divert the maximum of labor and productive machinery to meet the demands of the armed forces. If it follows the old technique of borrowing money and makes little effort to restrict consumption, private and public demand will compete for the available resources, prices will be inflated, and war production will be hindered. Consequently it will be necessary to reduce the consumption of everyone to a more or less subsistence basis. This would be accomplished by rationing, by prohibiting the manufacture of luxuries, and by confiscatory taxation. Modern warfare makes so large a draft on the national resources that it must inevitably be financed on a pay-as-you-go basis, and this means not merely the abolition of profits on armaments but, for the duration of the war, of profits on everything else.

Wall Street, which is still popularly supposed to be a nest of war-mongers, knows this very well. That is why it has become an isolationist stronghold.

KEITH HUTCHISON

## In the Wind

WHEN SIR STAFFORD CRIPPS, well-known Laborite, was speaking in Parliament recently, Lady Astor entered and, without pausing to listen, shouted, "Nonsense." Cripps, without turning toward her, retorted, "I hear the voice of the honorable member from Berlin."

SHORTLY BEFORE he committed suicide, Ernst Toller was discussing world affairs with several acquaintances. One of them seemed especially gloomy, and Toller, trying to cheer him up, said, "One must study history, and think in terms of a century—not five years. Otherwise one might commit suicide."

THE MYSTERY of Lindbergh's European activity is far from solved; put this story down as another bit of testimony in an already bewildering affair. A key figure in commercial aviation here, one of the directors of American Airlines, told intimates that Lindbergh, whom he has known for a decade, had vehemently denied to him that he had ever discussed the Russian air force while he was in London. The aviation official said Lindbergh was still allergic to reporters and hence unwilling to make the denial public.

SEVERAL NAZI newspapers solemnly cited the goldfish-swallowing epidemic among American collegians as evidence of malnutrition here. . . . American Young Communists no longer call each other "comrade"; it's "brother" and "sister" now. . . . The British Broadcasting Corporation has been freely censoring news about cooperatives. . . . The Wisconsin University *Octopus* has published "Poor Julius's Almanack for 1939," a collection of unwise sayings by Republican Governor Heil.

ITALIAN FILM critics recently received this notice from the government: "It is absolutely untrue that we want the critique to be abolished. . . . We don't ask the critique to make a bad Italian film look good, but while the right praise must not be spared on good films, for the bad ones it will be necessary to avoid a true critique." As compensation the critics were encouraged to hit harder at the few American films still being exhibited in Italy.

A LONDON JOURNAL records this quotation from *Die Nationalkirche*, organ of the German Christian movement: "The Baden Ministry of Education has ordered the interpolation in the Gospel of St. John, 'Salvation is of the Jews,' to be struck from the Bible-readers. Prominent German scholars have established that this is not a word spoken by Jesus."

ALTHOUGH the Legion of Decency was allegedly formed to combat "immorality" in movies, its scope has steadily widened into political areas. While it didn't put "Juarez" on the index, it made this comment in its weekly bulletin: "Reviewers requested that attention be drawn to the fact that the motion picture 'Juarez' is not to be considered as uniformly reliable in its historical references."

[We invite our readers to submit material for *In the Wind*—either clippings with source and date or stories that can be clearly authenticated. A prize of \$5 will be awarded each month for the best item.—EDITORS THE NATION.]

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# Issues and Men

BY OSWALD GARRISON VILLARD

## Palestine Needs a Gandhi

THE only encouraging news that has come out of Palestine since the British betrayal is a dispatch which reports a cessation—let us hope a permanent cessation—of the rioting, and the suggestion that hereafter the Jews will turn to passive resistance to attain their ends. Therein lies their one hope. If they resort to force they are bound to lose. The British army can shoot them down if they match arms against arms. But if they turn to the greatest weapon of all, non-resistance, they may find that they will produce results so far-reaching as to astound them and all who sympathize with them. Civil disobedience is their weapon. Beyond that they have nothing to use. They can make no appeal to the morality or to the conscience of Chamberlain, of his government, or of the men of means and influence in England who control that government, for morality and conscience are lacking in that group.

Let the Jews look at India. What more wonderful happening has there been in the year 1939 than Gandhi's humbling of the British government merely by his refusal to take food? The government of India has not forgotten the great things that were accomplished by the Mahatma by his previous civil disobedience, notably in the salt war. It must be recalled that his latest fast was not aimed at the British government directly but at Thakore Sahib, ruler of the minor state of Rajkot. He promised to "fast unto death" unless that ruler granted democratic reforms within his government. As the *New York Times* put it: "Immediately the vast country was in a ferment. The hurried intervention of the British Viceroy was needed to obtain the agreement that ended the dispute. Thus Gandhi won his immediate objective." Neither the government of India nor the great and powerful government of Great Britain could permit that little man to die. They knew that if he did all India would rise against them and resort to a civil disobedience which it would be beyond their power to control or to conquer. Gandhi is old, feeble, and tired, with amazingly little strength with which to cling to life, and yet he has it in his power to move millions of men as men have not been moved since the living days of Christ and Mohammed.

The Jews may take counsel from what happened when the French marched into the Ruhr. There is the strongest testimony that if the Germans had not been compelled

for lack of money to surrender just when they did, within ten days the French would have had to march out of the Ruhr in utter and complete defeat. They had arrested thousands of men and sentenced them to long terms in prison on obviously trumped-up charges. Yet the French military grew weaker day by day. They found that their soldiers were breaking down under the terrible strain of the ostracism they were encountering. Neither men nor women would speak to them except when they were compelled to do so. They found that it was of no avail to knock these people down, to close their stores, to put on a curfew at night, even to drive them by wholesale out of their homes—2,000 out of 3,000 persons were expelled from Gerolstein, and still those remaining would not yield. You can imprison and expel some thousands, but you cannot put the whole population of a section of country into prisons or concentration camps.

In India during the Gandhi salt war soldiers and police found again and again that they could no longer use their *lathis* upon unresisting men and women. American correspondent after American correspondent has testified to this. The only trouble is to find enough heroes, men and women who will endure with uncomplaining fortitude the torture and suffering involved. Thousands upon thousands with brown skins have done it. Are they the superiors of whites in their moral and physical endurance? I do not know, but I do wish there could be the widest circulation of these facts in Palestine. Perhaps somebody will send a large edition of a little volume just published by Dr. Haridas T. Muzumdar (Universal Publishing Company, 20 Vesey Street, New York) to Jerusalem for distribution. It is called "Gandhi Triumphant!" and it gives the inside story of the fast which made history in India in four days.

In the *Neue Tageblatt* of Paris I am encouraged to find an appeal to Germans in Germany to fight Hitler by civil disobedience. Already there are 150,000 people in concentration camps, the *Tageblatt* reports, and the jails are overflowing with men whose sentences run to "millions of years." What would happen if a half-million Germans offered themselves unresistingly for arrest and imprisonment? I believe that Germany can only be purged of National Socialism from within. I do not believe that the loss of a foreign war will eradicate it. Hence I earnestly hope that we may see the policy of non-resistance once more invoked in Germany as it was in the Ruhr.

# BOOKS and the ARTS

## Politics and Fiction

*ADVENTURES OF A YOUNG MAN.* By John Dos Passos. Harcourt, Brace and Company. \$2.50.

MR. DOS PASSOS'S new novel, "the first of a series of contemporary portraits," is, in form, a return from the experimental manner of "U. S. A." to a simple, straightforward chronicle. It has very much the form of those innumerable "young-men stories" that flourished in the twenties. But it has very much the content of those numerous studies of social awareness that have dominated the thirties.

The story is simple. It concerns Glenn Spotswood, a college professor's son who, partly through the people he meets, partly through the age he lives in, partly through the person he is, early becomes a champion of the working classes. Later he becomes a labor organizer for the Communist Party, goes to a coal-mining region, and has some difficult and dangerous encounters. Afterward, without losing his revolutionary convictions, Glenn becomes disillusioned with the party's directing minds, clashes with them, and is finally expelled as a party member. He goes to Spain to join the Loyalists. When he gets there, he finds the Communists in control of military activities; he himself comes under suspicion of being a Trotskyite and is arrested. While he is under arrest, a bombardment breaks out, and, under heavy fire, Glenn is allowed to carry water to men up the line. In doing so, he is killed.

Mr. Dos Passos's book is rich in observation; it contains vivid scenes; it provides an interesting hero. Among other things, Glenn's work as an organizer in the coal fields is one of the most convincing things of its kind I have read. But though one may grant the book many of the attributes and virtues of fiction, one cannot grant it the proper breadth of fiction, or allow that it proceeds out of a strictly fictional impulse. What Mr. Dos Passos has unfortunately ended up by writing is not so much a novel as a highly sectarian tract. He is not in sympathy with the Communist Party, and his book is plainly a means for him to express his feelings about the party's leadership, its methods, and the role he conceives it to have played in Spain. It is scarcely unfair to say that he wrote "Adventures of a Young Man" less to show something than to show something up. The result is whatever you like, but it is not good art.

The matter of bias is in itself, of course, not necessarily prejudicial to art. There are great controversial subjects, invoking human values and emotions, out of which great books have often come. One of them is the clash between the man of religious faith and the man of doubt. Another—to keep close to Mr. Dos Passos's theme—is the making of a radical, or the unmaking of one, in which the capitalist and socialist ways of life can be given an imaginative treatment transcending the writer's own point of view. These are large themes about which any novelist may be partisan, but can yet remain objective. But Mr. Dos Passos has centered his story in a purely factional dispute among radicals, a dis-

pute which is being hotly waged in real life. It would require great genius to give this dispute more than a narrow and sectarian quality, just as it would require great genius to give the clash between a Baptist and a Methodist more than a narrow and sectarian quality.

But there are other dangers for a novel like "Adventures of a Young Man" besides its limited scope. One of them is that such books are produced out of heated emotions, are touched with bitterness and personal feeling, and—even when written by honest men like Dos Passos—cannot achieve what good fiction demands, a true disinterestedness. Another trouble with the book is that its crucial chapters rest on a factual rather than a fictional basis, yet create their effects as fiction and not as fact. My feeling is that since Mr. Dos Passos is writing about a real organization, and its conduct during a real war, he should attack it as an outright pamphleteer and not as a novelist; should make factual allegations rather than a fictional indictment. In treating of so intensely disputable a matter as the role of the Communists in the Spanish War, for the sake of historical truth one should name names and cite cases.

Speaking altogether as a critic, I am sorry that a writer who has achieved the breadth and power that Dos Passos did in "U. S. A." should narrow his canvas to a subject on which people will ill-naturedly take sides rather than impartially take thought. Beyond that, I am sorry, because it is a subject which, in old-time parlance, is "inartistic." We are living, of course, in a period when the artist is very much a political animal and when he believes it his duty to exert political pressure wherever he can. With the rightness or wrongness of this view, with the whole pressing problem of whether "life" today must take precedence of "art," I cannot here concern myself. But anyone at all critical-minded must be aware that a terrible and puritan self-righteousness has taken hold of literature and that many writers, out of their ideological fervor, have become ideological witch-burners. And anyone at all critical-minded must be equally aware that fiction, though it is an unsurpassed medium for exposing great social abuses, for contrasting right with wrong, is the worst possible medium for dramatizing sectarian politics. Mr. Dos Passos may feel that political writing is more important, just now, than fiction writing; but then he ought not to write politics in the guise of fiction.

LOUIS KRONENBERGER

## Democracy and Socialism

*DEMOCRACY AND SOCIALISM.* By Arthur Rosenberg. Alfred A. Knopf. \$3.50.

"AGE of Confusion" is how H. G. Wells captions our time. It is all the more important, therefore, for us to attempt to clarify our political concepts and the terms we use. According to Professor Rosenberg, in the past 140 years "the concept of democracy has changed fundamentally." This



I dispute. The term has simply been misused by various parties and statesmen to screen their aims.

Democracy in abstracto, that is, in political science, has never meant anything but a social structure and form of government in which the people rule themselves directly, as in the ancient city-states of Greece, or through elected representatives. That some persons call other things democracy changes neither this definition nor the facts from which it is derived. Just as it matters little that Mussolini and Hitler, availing themselves of the prestige the term still enjoys, frequently misname their ruthless tyranny "real democracy," so it does not affect the concept of democracy that, because of the overwhelming power of capitalism and the lack of critical thought in the majority of voters, the democratic machinery, except in some small countries like Norway and Denmark or in a leveled community like New Zealand, is still rather clattering and rattling than efficient.

In considering the relation of democracy to socialism, Professor Rosenberg does not make general ideas any clearer by thinking that he can best "trace the history of the democratic movement" by "examining at the same time . . . the attitude of Marxism to the single phases of democracy." From the Marxist point of view democracy may be "a movement borne by definite social forces and classes," but in the opinion of non-Marxists—and such creatures still exist among historians—the question Professor Rosenberg puts is not how Marxism determines democracy but exactly the opposite: what influence the democratic form of government has on socialism, that is, on the doctrine and movement aiming at an organization of the community in which there is public ownership of the means of production and distribution in the interest of the entire population. However, as is common knowledge, Marx did not invent socialism, nor is Marxism the last step in the development of socialism. Robert Owen and Saint Simon happened to live before Marx, Bernstein and De Man after him. Though in Professor Rosenberg's opinion "the revisionists were actually much better Marxists than their 'radical' opponents," yet it is certain that neither were really Marxists at all.

Professor Rosenberg's book has the *faute de la qualité* of its author. Just as one of his predecessors in his Berlin chair began his course by saying, "I am a Prussian Junker and shall lecture on German history accordingly," his own book reflects the views of a German Marxist. If we make allowance for this persuasion, it is as scholarly and unbiased as was his excellent "History of the German Republic." It would even be unfair not to recognize the truth of his avowal that Marx and Engels, founding the "first" International, accepted the plan of English workers and that both "overestimated the fighting power of the existing popular parties."

We may doubt, however, his conclusion that "the Second International, which had been the actual representative of liberal democracy on the Continent," failed because liberal democracy promised the nations peace and could not keep this promise. Professor Rosenberg himself admits that "in the age of imperialism liberal democracy was the only conceivable basis for liberal politics," and imperialism would be certainly *ab ovo* inconsistent with the promise of peace. The fact remains that the Second International, in spite of its useful educational work, could neither prevent the World War nor



Hungry Children

Drawing by Kathe Kollwitz

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survive reaction and revive revolutionary democracy in Europe. It is regrettable, therefore, that the author would or could not devote more space and industry to the rise of bolshevism and fascism.

It would have been interesting, for example, to examine why a "successful Social Democracy was established" in Czechoslovakia and why "a profound division among the German workers" undermined the German Republic. From the Marxist point of view it is scarcely a satisfactory explanation that the Czechoslovak democracy "transplanted old-fashioned but still vital political ideas into the present."

In a short but comforting last chapter the author expounds the democratic and socialist positions of our time. This chapter was written before Munich, the preface for the American edition afterward. In the preface Professor Rosenberg attributes the failure of democracy throughout Europe to the failure of French democracy; in the last chapter, however, he maintains that only one specific form—liberal, bourgeois democracy—has finally collapsed. He concludes from historical experience that "the laboring masses will gradually be compelled to recognize that their own self-government is a necessary prerequisite in order to achieve a worthy level of existence." I would gladly share this conclusion, which, similarly to that of Thomas Mann, harbingers the revival of democracy. But as Professor Rosenberg adds, "unfortunately no other form of self-government" followed the decline of democracy after 1848 or 1871 on the European continent. Anyone not hampered by dogmatic considerations must discern the bare truth that behind the smoke screen of ideological conflicts two fronts are fighting for political power in Europe. In this struggle both democracy and socialism are going to be the losers, at least temporarily. Both will probably have to assume a new form to regain the confidence they have already lost. This is less agreeable than Professor Rosenberg's conclusion, but closer, I am afraid, to what we may infer from historical experience.

RUSTEM VAMBERY

## Before "Tobacco Road"

*PURSLANE.* By Bernice Kelly Harris. The University of North Carolina Press. \$2.50.

NEW ENGLAND week-end gardeners know purslane—commonly called "pusley"—as a pestiferous weed that is easy to uproot if you get it in time but if left to flourish is destructive to young carrots and beets and other timid if useful vegetables. But in the herbals, and in Mrs. Harris's country, which is North Carolina, it is described as a good salad herb with admirable therapeutic properties. Mrs. Harris chose to call her book after it because she was writing about simple, ordinary, good people, the poor-white farmers of the South before Mr. Caldwell discovered them to be so rakishly disorderly and no-account. Perhaps the South has changed in forty years—"Purslane" takes place around 1900; perhaps Mr. Caldwell did not see all the Southern poor farmers; perhaps Mrs. Harris is romancing. But her book has the ring of truth. Her people, despite the fact that the whole family works the cotton rows and lives without benefit of modern conveniences, are decent, clean, honorable, and as real as bread—or pusley. They also eat regularly,

although their diet is mainly hog-meat and poultry, with ample side servings of greens in season, hot bread, and a variety of preserves and pie.

Curiously enough, it is Mrs. Harris's gift for verisimilitude which has prevented her from writing the really first-rate novel she might have written. She has represented life, and neglected art. Her novel is only a series of disconnected episodes—the baptizing, the coon hunt, an eclipse, hog-killing, a wedding, a laying-out. All are true and as far as they go affecting; but they are not built into a connected whole. There is no beginning, middle, and end; merely a day-by-day account of how things happen and what people do. But what people do, and particularly what they say, can be very touching: poor Calvin and Milly, suffering through the inarticulate agonies of first love; Miss Charity, dying of cancer and longing to sleep alone, but refusing to put her husband out of the bed they had always shared because he would be so lonely; Dele, sorting out garments after the death of her only son, mending the pocket of his long since outgrown sailor suit before she chose the clothes she wanted him buried in.

Not a novel at all, really. Just a neighborhood of very ordinary parents and children who work hard and complain about the weather and enjoy fried chicken and would like a little more money and are considerate of other folks most of the time. The sort of persons of whom, in the United States, there are upward of a hundred million. It is rather a pity that Mrs. Harris is not a better craftsman or that she has not a firmer sense of drama. She might have written a best-seller or a Great American Novel or both. As it is, she has written a heart-warming chronicle that many readers, provided they hear about it, are going to like very much.

DOROTHY VAN DOREN

## Western

*BITTER CREEK.* By James Boyd. Charles Scribner's Sons. \$2.50.

THE author of "Drums" has written another mighty fiction in this novel set against the background of the old West. It was still young in the seventies. Indians were still war-whooping through the Rocky Mountains, and in the ranch country at the foot of them lived ancient men whose ambitions and appetites and angers were those of youth. A man was a man there, or else a corpse. There was freedom, thought Ray Talcott, when he ran away from home at thirteen and limped doggedly West, sick from the wound his father had beaten into his leg and aghast at the perfidy of his mother, who had slipped away the night before with a traveling salesman.

His flight had a nightmare quality, for he met in it a variety of fantastic characters who were to appear and disappear continually throughout his later life, to menace and help him while he tried to shake free of the confusions of his unhappy childhood. The juicy Maribel, the sly Uncle Coon with his little, whiskered, foxy mouth, made the boy's world hideous when they learned that his father had set a price upon his head. Doctor Antelope, the purveyor of Genuine Navajo Oil, gave him refuge in his wagon for a time, but again he had to flee and again

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would have been captured by the relentless Uncle Coon had not Nolly, the half-wit farmer boy, defended him in the cave. Then he met the cowboy named Springtime, and his new life began. He grew up under Springtime's tutelage on the Circle N, among the galloping, sozzling, wenching "pardners" of the range. In the good seasons he led the normal life of the cow-poke, and in winter hunted with the Piegan Indians, whom he came to respect and love.

But his past pursued and confounded him still, for when Nancy, the simple Nolly's sister, arrived to make him vaguely conscious of love, he bitterly remembered his mother's faithlessness, and when next came Uncle Coon with Maribel—now Sheet Lightning Sue—the wheel of menace swung full circle again. The Indian war that followed and the abduction of Nancy forced him to acknowledge his love, but not for long; the cankering doubt left by his mother's example nearly led to a double tragedy.

Though the adventures of the boy are too often adventurous and the reunion of the major characters seems more contrived than fatal, James Boyd has written a moving tale. Chiefly he is adept at the portrayal of character and scene; the suspense which he creates so effectively in the first part of the book peters out when Ray reaches the ranch, but the excellent, leisurely development of his personality and the struggles of the pioneer ranchmen keep the story swinging. The Indian uprising, the machinations of the agents who would rob them of their allotted stock, the lusty debauchery of the cow towns, the hair-trigger friendships, are superbly conveyed and authentic to the life of the old Northwest. Through the reactions of men like Professor Crittenden, the bunkhouse cook, or Absolute Jones, the liquor-cum-Indian fighter, or the rebel bank clerk, Mr. Boyd can show this life better than most historians can with their catalogued details. Historians will read this fine, fluent book avidly, and the addicts of Western penny-dreadfuls, if it comes to their hands, will not be likely to put it down.

HASSOLDT DAVIS

## Robinson Jeffers

THE SELECTED POETRY OF ROBINSON JEFFERS.  
Random House. \$3.50.

THE first reaction to this volume is one of astonishment at its mere size; it runs to 615 packed pages. And in his preface Jeffers says that this is only half of his published work. Most of his maturer work is here, however: Tamar, Roan Stallion, The Tower Beyond Tragedy, The Loving Shepherdess, Thurso's Landing, Give Your Heart to the Hawks, Descent to the Dead, At the Birth of an Age, in their entirety; passages from Cawdor and The Women at Point Sur; 100 short pieces, 4 of which are new. Dear Judas and Such Counsels You Gave to Me are omitted. But seen in collection, even these uniquely notable works bulk out of all proportion to the residual impression of them that memory has accumulated during the last fifteen years. After re-experiencing them in this book, that superficial first feeling of bulkiness is seen to have the deepest implications and provides as good a basis as any for making a short, useful statement about Jeffers's achievement as poet.



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In his foreword Jeffers tells of his recognition, in an experimental period before 1920, that "poetry must reclaim substance and sense . . . physical and psychological reality." His cause was common here with others in the so-called Anglo-American movement in poetry—Pound, Eliot, the anti-Georgians. Like them he sensed that "poetry would find its old freedom" through a renewed traffic with prose, in that shifting borderland where the two exchange vigors. Jeffers, however, rejected "modern" French and English poetry as "thoroughly defeatist" and "was led to write narrative poetry." His capitulation to the methods of prose appears now to have been too complete. *La poésie*, like *la vérité*, exists only *dans les nuances*. That unaccountable solace and ecstasy that are poetry's special bounty are nowhere in these 600-odd pages bestowed. There is an occasional intuition of such an approach—as always, when image intensifies in brilliance and definition—but it always misses, diluted into mere language, deflected into diagrammatic idea. His plays are no more theater-poetry than Hugo's; his narratives are poetically as diffuse as "The Lady of the Lake."

Having asserted Jeffers's lack of poetry in that pureness which the true poet reveals, it is immediately necessary to define another sense in which his writing attains to the condition of poetry. For it does; the experience of it is valid and undeniable. Whitman is a convenient comparison. What gives life to the work of such writers—and in practice it is useless to distinguish such *life* from poetry—is the vividness of the man's personality as put on the page. (Whitman does, of course, very signally achieve true, created image at times, as in *Out of the Cradle*.) Jeffers's poetic impact for his contemporaries comes from the intensity of his personal point of view. Nietzsche's phrase, "The poets lie too much," was a formative one for him he says. He has told his truth at all times; the short first-person lyrics are no different in this from the narratives. His truth is that particularly contemporary segment of truth that has lent importance to the work of Faulkner, O'Neill, and, among lesser talents, James Cain.

The only legitimate criticism of this kind of poetry lies in the plain fact that few if any writers have enough in their personalities to keep themselves or their readers going. Whitman is one of the few who was wide and deep enough, beneath the ballyhoo loving enough, to keep most of the actually prosy bulk of his work inspirited with poetry. But, "I am cold and indiscriminating," Jeffers says. Una Jeffers, his wife, "has been my nerves, eyes, sympathies." He sees

life intensely, but through a pinhole: pin point of a hawk's eye, might be his own phrase. As a single image of horror, Tamar Cauldwell or Clytemnestra rivets and purges us with terror, if not with pity. The repetition of this same spectacle in poem after poem results in something as grotesque and boring as a sideshow of freaks. In a collection of these works, such as this book, Jeffers's crippling limitations are completely revealed.

Jeffers's position is not an easy one. He has found no truth more finally acceptable than Spengler's cyclical decline of cultures, and behind that the final exhaustion of the universe resulting from the second law of thermodynamics. Thus he has been unable to believe in the worth of anything with whole seriousness. From this deficiency, this lack of Yeats's "fighting-mad" violence, comes the sprawling enervation and the very small satisfaction to be had from his poetry. He has loved neither art nor life enough. But here criticism must halt. For in the deepest sense Jeffers obviates human values, and criticism has no others.

SHERMAN CONRAD

## Still-Life

*HARVEST*. By Jean Giono. Translated by Henri Fluchère and Geoffrey Myers. The Viking Press. \$2.50.

BESIDE the overwhelming simplicity of Jean Giono's tales of peasant life all similar novels that come from France are frankly negligible. In the high-perched village of Manosque in the French Basses-Alpes, Giono writes of the life which he sees about him and which he himself has led. He is one of those rare "naturals" like our own Steinbeck, to whom no effort is required to reproduce the direct accents of a primitive life. When his novels run to any length, the reader, surfeited with simplicity, is likely to lay them down unfinished. But when, as in the case of "Harvest," they do not exceed 200 pages, they are as refreshing as a Cézanne still-life after a gallery full of surrealism.

The natural decay and equally natural regeneration of Aubignane, as witnessed by its one surviving inhabitant, the inarticulate Panturle, form the story of "Harvest." Panturle is a party to that transformation of his village; in fact, he and Aubignane are one. It is only after he finds a woman, mysteriously guided toward him by the aged crone, Mamèche, who has set out to find him a mate, that he and the earth and his goat Caroline awaken and become productive again. If the blood of the fox he flays, Arsule's breasts, old Gaubert's anvil, the goat's dry teats, and Panturle's fall into the river are so many symbols, they all symbolize substantially the same thing: the need for fecundation and its fulfilment.

Giono's realism is unforced, even in a passage like the following:

Mamèche also hunted in her own way. She went in for small game: sparrows tamed by the cold and all fluffed up like balls of wool. She did what people in those parts call "embalming grain." She boiled some old oats with some rue leaves and thorn-apple and then strewed the mixture in front of her door. The sparrows ate it and died on the spot. Before cooking them she removed their gizzards, cut them open with old scissors, and emptied out the grain onto a paper to use it again.



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There is here no attempt to shock the reader, but rather simply a desire to record the old woman's life in some detail, as she ekes out existence on the barren heights where Panturle brings her his goat to milk and an occasional rabbit he has caught. Besides such details there are luminous bits of nature morte:

On the kitchen table were three fine onions completely peeled, which showed up in violet and white tints against the plate. There was a jug of water, a jug of clear water, and the pale, light sun was playing in it. The tiles had been washed. Near the sink, in a big crack which had split the stones and through which the earth could be seen, a green shoot of grass had grown, holding up its head full of seeds.

With "The Hill of Destiny," published here some years ago in an excellent translation by Jacques LeClerq, "Harvest" is Jean Giono's best work. Its rich imagery is feelingly translated, and the book is very attractively presented with the aid of wood-blocks taken from a French edition and skilfully fitted into a smaller page size.

JUSTIN O'BRIEN

## MUSIC

A JAZZ improvisation by Beiderbecke, like a symphony of Mozart, was intended only to be heard and enjoyed, not to be explained and argued about; and like the symphony it can exert all its power as music on someone who knows nothing beyond the actual phrases from Beiderbecke's cornet. But having experienced these phrases a person may be interested in knowing something about the art of which they are an example; and such a person will do well to read the two recent books on the subject by Wilder Hobson and Winthrop Sargeant.\*

From Hobson he will learn at the very beginning that

Most of the so-called "jazz" or "swing" heard on the radio is what the players themselves call "commercial" music, dance arrangements of popular tunes. . . . Some of this music, whatever its aesthetic value, is very ingenious and brilliantly played, and all of it is one way of making a living. . . . But this book is about something else again: a natural musical language which American musicians, Negroes and whites, have been speaking now for more than a quarter-century, which they play for their own pleasure. All the commercial forms borrow from it to some extent; it is sometimes mixed with the commercial; the same men often play both commercially and naturally. But the words "jazz" and "swing" are ambiguously applied to all the music, and a large part of the writing, comment, and publicity about "jazz" or "swing" has been about the commercial forms.

The playing of men like Stacy, Kyle, Clayton, to which I have directed attention in this column, is the natural product; the performances of a Goodman and of other much-publicized "swing" bands are mixtures of natural with commercial—and I should say little natural with a lot of commercial.

\*"American Jazz Music." By Wilder Hobson. W. W. Norton and Company. \$2.50.

"Jazz: Hot and Hybrid." By Winthrop Sargeant. Arrow Editions. \$5.

In subsequent chapters Hobson discusses the origins of the jazz language, its characteristics of tone, rhythm, melody, and harmony, its use by the jazz musicians. He does this with warmth and color—but also with essential penetration and sanity—that make the art and its practitioners come alive in a superb way. And as he goes along he refers to thirty records which get a concentrated chapter at the end.

The distinctive characteristic of the jazz language he finds in the tension- and momentum-producing suspended rhythms created by syncopations around the regular beats—syncopations themselves produced on the one hand by percussive accents of piano, drums, guitar, and on the other hand by the subtler melodic stresses of trumpet, trombone, clarinet, saxophone. And the player for whom this is a natural language is one who has a feeling for these suspended rhythms, in whose playing they are "a fluent principle"—and this not only when he is improvising but when he is playing from written notes, which are subjected to a subtle alteration analogous to the "translation" of written note values that a Beethoven sonata undergoes in performance "according to traditions for that particular kind of music and the instincts of the performer." Jazz, then, for Hobson, is the improvisatory invention which naturally lends itself to the nuances of rhythm that are too subtle for notation; but it is also music that is written with, and intended to be played or "translated" with, a feeling for these unscorable nuances.

To this I would add an important qualification: scored jazz does not equal, in quality of musical invention, jazz improvisation. As some people do with Bach, so Hobson fails with jazz to distinguish sufficiently between the mere use of the language and important use of it. When they hear the Bach formulas they are hearing Bach; when he hears the tension- and momentum-producing suspended rhythms he is hearing jazz. They are excited whether the formulas are used with inspiration or without; he is excited whether the suspended rhythms occur in an imaginative improvisation by Buck Clayton or in an externally brilliant performance of an intrinsically less valuable scored passage by the entire Basie orchestra, or whether they occur in a richly inventive Teddy Wilson solo of 1935 or in a sterile one of 1938. This is apparent in the selection of the thirty records, and should be kept in mind by anyone who uses the book as an introduction to the music and finds himself bored by some of the performances Hobson is enthusiastic about.

To Hobson's warmly affectionate understanding Sargeant's detached scholarship is a valuable complement. The musical language that Hobson describes colorfully Sargeant dissects painstakingly into details of usage in rhythm, scale, chord, which he sets down in musical notation; and corresponding to Hobson's description of suspended rhythms is the following passage in which Sargeant sums up the results of his analysis, beginning with the rhythmic principle of

the interruption of an established regular alternation of strong and weak rhythmic pulses. The interruption is accomplished by the shifting of recognizable repeated melodic elements from strong to weak positions and vice versa. The elements so shifted in repetition may be dynamic accents, notes, groups of notes, phrases, rhythmic patterns, patterns of melodic movement, particular types of harmonic ornamentation; even tone-colors. The shiftings may be apparent in distorted phrases, in what is known as simple

anticipative or retardative syncopation, and in other sorts of melodic behavior. When the shifting occurs at regular intervals setting up repeated metrical cycles different from those of the established pulse, the result is polyrhythm.

And with the same method of analysis Sargeant establishes in greater and more precise detail than Hobson the origin and development of the music and its relations to other types of music.

The analytical chapters are hard reading; but others are made difficult by a lack of compact clarity in style and of clear outline in progression of thought. Sargeant may ask what the difference between ragtime and jazz is exactly, but he states the difference diffusely; and my attempts to derive completely ordered conceptions from the chapters called *Terrain*, and *Classifications and Definitions* brought me a headache and no completely ordered conceptions. But a chart of *Jazz Origins and Influences* is admirably clear and most valuable.

In a third book Benny Goodman\* leaves jazz to be discussed by Irving Kolodin in two chapters that are not an adequate substitute for Hobson's book or Sargeant's. And from what Goodman chooses to tell about his life and career, and from the style of speech that has been devised for the telling—one that I have never heard him use in conversation—I would say the narrative was meant for other readers than those of this column.

B. H. HAGGIN

## FILMS

"THE CITY," a documentary film on city planning, running only three-quarters of an hour, should not be missed by any visitor to New York's World's Fair. It is shown daily in the Little Theater of the Science and Education Building. The picture demonstrates very convincingly what you may have thought and wondered yourself: "Year by year our cities grow more complex and less fit for living. The age of rebuilding is here. We must remold our old cities and build new communities better suited to our needs. . . ."

The film starts with a beautiful sequence of the homogeneous life in an old New England village, where there was still a balance between the individual and the community. Then we are shown for contrast the terrible living conditions of the workers in the slums of a "modern" steel town. You will not easily forget the children before the shacks, breathing in dirt and poisoned air. With the trains laden with steel and tin we move to New York, into the absurdity of "the congestion and confusion of the modern city"; and we soon long, with its inhabitants, to escape to the country. Follow the adventures in "The Endless City," the highway on which there is little relaxation from the strain of stop-and-go traffic. The last sequence demonstrates what already could be if we were not spending money for rearmament: the "New City" that planning makes possible, in which the lost harmony of life is restored, or at least the physical conditions for a more healthy life are created. Not a visionary city of the future

\*"The Kingdom of Swing." By Benny Goodman and Irving Kolodin. Stackpole Sons. \$2.

this, but an actual one, in which many dreams of the exhausted city dweller are already realized.

Both as picture and as social document "The City" is in parts superb. The shots of the steel town with many an epigrammatic detail, the sequence of the skyscrapers with the thousand voices dictating letters, the satirical portrayal of the congested highway go far beyond purely descriptive news-reel shots. They tell an exciting story in which are moments of great movie art. The picture has been produced by the American Institute of Planners, with a grant from the Carnegie Corporation. Every inch of it shows the excellent coordination (supervision by Oscar Serlin) of a gifted staff. It is photographed and directed by Ralph Steiner and Willard Van Dyke after the scenario of Henwar Rodakiewicz, for which Pare Lorentz of "The River" fame wrote the outline. The commentary by Lewis Mumford is spoken by Morris Carnovsky of the Group Theater. Special mention should be made of the music by Aaron Copland—its ironical illustration for the highway sequence is particularly appealing.

In spite of the general excellence of the whole, there are minor defects: street crossings, harmless if you obey the lights, are sometimes shown as inescapably dangerous; the parallel between a black steel mill and a smokeless factory leaves open many questions; and the psychological atmosphere of the "New City" did not seem very inviting to me. I would be afraid to drink my whiskey there, not to speak of other vices. After all, looking at healthy children is not enough. But it may have been impossible to avoid such effects because of the necessarily fragmentary character of the work, which was produced at a cost of only \$50,000. One wishes that the same unit could produce a full-length documentary film with ten or a hundred times that amount of money at its disposal. I am sure such a picture would pay, even commercially.

"Goodbye, Mr. Chips" (M. G. M.): Never mind Mr. Woollcott, who calls this newest American-English picture the best ever done. I fell asleep and woke up only when the syrup became too thick. This despite a lavish production and excellent acting.

"The Oppenheim Family" (Amkino) is a Russian movie version of Lion Feuchtwanger's novel "The Oppermanns." It deserves the same praise that "Professor Mamlock" obtained. The same theme is handled with similar skill, though less dramatically. The fact remains that only the Soviet movie industry dares to touch the Jewish question.

"Union Pacific" (Paramount), directed by Cecil B. de Mille, employs every possible and impossible cliché so crudely that it makes one long to see "Stagecoach" again.

FRANZ HOELLERING

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# Letters to the Editors

## Slum Clearance in Kingsport

*Dear Sirs:* News of continued labor trouble in Kingsport, Tennessee, in your issue of April 1 reminds me that there is also some news about housing there.

Although my report of slums in Kingsport, the "yardstick" of private planning, was not received with favor by the local press, it seems that the authorities are now willing to admit the existence of enough slums to require a federal appropriation for clearance. They think \$750,000 would be a nice amount for the USHA to provide.

Under another project the FHA has approved construction of eighty-eight new houses—to replace, as the *Kingsport Times* puts it, "homes or shacks" eliminated. They are also to have a new school on Long Island, thanks to Uncle Sam; and another federal project is the building of a stadium. A Kingsport banker has said, "I feel that we should get government money while we can."

Reversing some of the glowing descriptions of slumless Kingsport still broadcast by the boosters, J. Fred Johnson said publicly, according to a recent report, "These unsanitary shacks are a disgrace to any place. If you take the cows out of the stalls for any length of time, people move in." The representative of the USHA who visited Kingsport is said to have described the conditions as among the worst he had seen.

Of course part of the million or so dollars which it is hoped the government will spend in Kingsport must be paid to landowners, either for slum clearance or for new building. A thirty-seven-acre tract of land sold for the new stadium is part of a larger tract owned by the Kingsport Improvement Company; the selling price was \$1,000 an acre but the tax assessment is said to be less than \$100 an acre.

Certainly Kingsport needs housing, even worse than it needs stadiums; and nothing should be said to discourage the government from putting roofs over the heads of the people who are forced to live in cow stalls. But is it not possible for the FHA and the USHA to do the job without excessive reward to the private owners whose control of the city brought it to its present plight?

WILLSON WHITMAN

New York, May 15

## Hear Raymond Gram Swing

*Dear Sirs:* Anent Mr. Swing's radio broadcasts, you may be amused to know that the announcer of the local station WACO recently announced him thus: "All right, all you jitterbugs, stand by to hear Raymond Gram swing!"

IDA A. ROSENBAUM

Waco, Tex., May 4

## Defense of Humor

*Dear Sirs:* I rejoiced in Miss Margaret Marshall's courageous defense of humor in the March 25 (of all places) *Nation*. I wish she had developed it farther, for I scent something more sinister afoot in the progressive movement than the banning of WPA jokes by Mr. Ralph Whitehead's council of the American Federation of Actors (on which I serve as an absentee member). The political complications of the WPA are, after all, dark and devious, and consider Mr. Whitehead's spectacular rise from a moderately successful song-and-dance man (and light comedian!) to a flourishing labor politician. It's one thing to rise—another to remain "suspended in mid-air without any means of support," as my old mentor, Thurston the magician, used to say about his floating lady.

As one who has earned his living as a comedian of sorts, yet whose social conscience has been an alert and prickly thing since childhood, I am worried—sorely—at the dangerous threat offered to humor by the political attitudinizing toward it of the bluenoses of social reform. And it's my social, *not* economic, self that's doing the worrying at that—dialectical materialism notwithstanding! To sneer at humor as the foul miasma of capitalism, or "escapism," is more and more becoming the fashion in circles that pass themselves off as liberal—unless, of course, it serves a partisan purpose. Even those good souls—like Miss Marshall's gifted crackpot who vowed to write nothing funny or light-hearted or insignificant until the world rights itself—who exhaust themselves trying to undo, single-handed, all the horror on earth shy at humor as if it were the creation of Herr Hitler himself.

Of course the world is in an awful mess. But when, I ask you, wasn't it?

At what moment of history was man killing, plundering, torturing—and laughing? And how will the elimination of laughter—humor—improve things? If man had lacked the capacity to laugh—to laugh at himself—I guess is that the pages of history would be far bloodier and more horrible than they are. No, I am not a fascist.

FRED KEATING,

Past President of the American

Federation of Actors

North Hollywood, Cal., May 20

## CONTRIBUTORS

WILLIAM L. WHITE, a native of Kansas, is the author of "What People Said."

PETER H. NOYES is a financial writer who formerly contributed a column to *The Nation*.

MORRIS GORAN is the author of a book on the scientific method, "The Way of Science," which will be published soon. He is also working on a biography of Fritz Haber.

LOUIS KRONENBERGER is drama editor of *Time*.

RUSTEM VAMBERY was professor of sociology and criminology in the University of Budapest. He is now in the United States on a lecture trip.

DOROTHY VAN DOREN, formerly associate editor of *The Nation*, is the author of "Those First Affections" and other novels.

HASSOLDT DAVIS has just left with the Denis-Roosevelt expedition for Burma and Central Asia. He has a novel, "Save Me the Sun," coming out in the fall.

SHERMAN CONRAD contributes book reviews to various publications.

## INFORMATION FOR SUBSCRIBERS

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